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FINANCIAL TIMES

No. 27,014 Wednesday July 7 1976 ***10p

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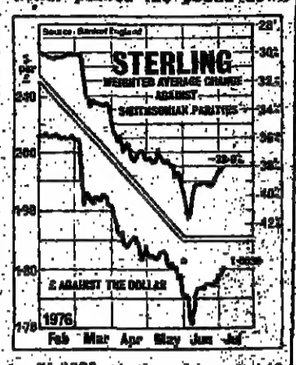
WS SUMMARY

BUSINESS

rster £ closes at best level for 7 weeks

● STERLING closed above $1.80 for the first time in nearly seven weeks. It touched a peak of $1.8055, but demand for the dollar pushed the pound down



to $1.8030 at the close, up 40 points on the day. Sterling's trade-weighted depreciation narrowed to 38 (38.3) per cent; dollar's widened to 2.13 (2.01) per cent.

● EQUITIES eased on profit-taking, after being marked up initially as sterling improved. The FT 30-Share Index, up 21.0 in the past five trading days, slipped 2.2 to 390.3.

● GILTS gradually lost their opening firmnes, mediums and longs shedding ¼ and shorts also easing marginally. The Government Securities Index fell 0.08 to 62.97.

● GOLD rose 25 cents to $122.375.

● WALL STREET was [illegible] at 992.70 near the close.

● METAL PRICES rose as buying interest built up. Cash tin rose £48.5 to a new peak of £4,707. Page 31

Foreign cars win 36.9% of U.K. market

● FOREIGN CARS increased their share of the U.K. market to 36.9 per cent. last month. The trend is causing growing anxiety within the Government and the U.K. car industry. Back Page

● 600 GROUP will play a key role in setting up a machine tool plant in Iran under a newly-signed deal. Back Page

● ICI and the French chemicals group, Rhone-Poulenc, will form a joint company to make and market their present range of rubber chemicals and to invest in new products. Page 9

● BAKING industry will hold talks today to try to avert a strike by 12,000 employees at Allied Bakeries. Page 12

● MINERS' executive wants the Coal Board to agree to retirement at 60 on full pay by January. Miners will also seek an extra week's annual holiday. Back Page

● BANKRUPTCY cases went up 28 per cent. last year to 6,698. Construction industry produced the largest single number of trading failures. Page 8

● WEST GERMAN Federal Supreme Court has delivered a blow to the Cartel Office by lifting the order that the E. Merck pharmaceutical group must cut vitamin prices. Page 24

● AUSTRALIAN Federal and State Governments will hold talks on plans for uniform national laws governing companies an dthe securities industry. Page 7

● TRIDENT TELEVISION pre-tax profit more than doubled to £2.33m. (£1.13m.) in the six months to March 31. Page 20

● BRABY LESLIE... pre-tax profits were up 42 per cent. at £1.5m. in the year to March 31. A rights issue is to raise £0.91m. Page 21

ie

African Government, the issue which gave month's demonstrat- ck townships, where people died, yester- ed the compulsory frikaans in black

l by some black concession is not wever, to be likely to easing of Nationalist des to apartheid.

Botha, Minister of ation, announcing the id that instead of teach subjects in Afrikaans on a 50-50 can schools could pt to teach in either Afrikaans. Back Page

sia raises e spending

sian security forces y had killed another ist guerillas in the ys, Mr. Ian Smith's announced a 40 per se in defence ex- £75m. with a further ecurity. Page 7

ed after sy demo

dents, who included fintans, three Jor- d a 14-year-old boy and who had been ter Monday's protest n Embassy in London day each bound over ry Road magistrates' 50 to keep the peace £25 bail until Sept- [illegible] police Lebanese fight- Page 7

in skyjack

ld Libyan, carrying tols and two knives to Palma, Majorca: skyjacking a Libyan es Boeing 727 on a than internal flight. ker is thought to organisation hostile hedafi, the Libyan

ecrets

nment is to put posals for making the ecrets Act less and more effective, m told the Commons.

caught

olice killer Arthur was recaptured by ers on the fringe of orest, Isle of Wight, to Parkhurst prison.

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son, 39, charged with hree sub-postmasters, his arrest that he known as the Black ford Crown Court.

ur

seven men and five ng the case of 14 s accused of assault- ingham pub bombers son Green prison. ie allegations, with ounsel.

n launched a Soluz vith a two-man crew it joint experiments orbital spacelab

ave been asked to private cars at Heath- e of road works.

earch Campaign has search scholarship in Prof. Gordon Hamil- who was killed by a mb in London last 8.

tor Peter Lorimer 39, was fined £25 at therland, for taking chicks from nests.

RICE CHANGES YESTERDAY

ance unless otherwise indicated)

RISES		
79-81	£89½	+ ½
	106	+ 6
	73	+ 6
)	33	+ 3
Prop.	155	+ 8
	120	+ 5
and G.)	39½	+ 5½
	155	+ 4
bex-Marx	182	+ 7
	63½	+ 3½
states	210	+ 12
ar	21½	+ 2½
ds	175	+ 8
	62	+ 3
	165	+ 4
	55	+ 4
	95	+ 13
	82	+ 6
	93	+ 5
Manbre and Garton	142	+ 7
Pilkington	336	+ 5
Plaxtons	79	+ 4
Town Centre Secs.	26	+ 3½
Watson (R. K.)	54	+ 4
Williams Hudson	18½	+ 3
Wolseley-Hughes	112	+ 3
Joburg Cons.	£18½	+ ½
Poseidon	300	+ 15
FALLS		
Allen Harvey & Ross	350	− 10
Jessel Toynbee	64	− 4
Lamont	11	− 1½
Reed Intnl.	252	− 5
Union Discount	323	− 5
BP	595	− 15
Shell Transport	428	− 8
Weeks Nat. Resources	76	− 5
Harmony	350	− 10
Pres. Brand	£11½	− ½
St. Helena	£11½	− ½
Venterspost	155	− 15

SIGNS THAT ECONOMY IS ON THE UPTURN

Healey now expects 5% growth

BY RICHARD EVANS AND PETER RIDDELL

OFFICIAL FORECASTS of the rate of economic growth have now been revised upwards, Mr. Denis Healey, Chancellor of the Exchequer, told the Commons yesterday.

Speaking at the start of a two-day debate on the pay and prices policy, Mr. Healey said the increase in gross domestic product in the year to the middle of 1977 is likely to be 5 per cent. as opposed to the 4 per cent. rise forecast in the April Budget. The rise in industrial output should be 9 per cent., against an 8 per cent. increase projected earlier.

Earlier in the day, the Treasury's proposals for substantial cuts in public spending in the next financial year were discussed by the Cabinet for three hours but final decisions will not be taken before the end of the month.

The Prime Minister still intends to make a statement on further cuts of about £1bn. for 1977-1978 before Parliament rises for the summer recess. But timing will depend on progress made at a series of further Cabinet meetings, planned over the next three weeks.

Deposits

In the Commons, the Chancellor also inted at the possible use of special deposits from the banks as a meanso f restricting the growth of money supply if necessary.

Mr. Healey referred to his determination both to prevent the appearance of excess liquidity in the system by "whatever mix of measures seems most appropriate" and to finance a large part of public borrowing outside the banking system. He gave [illegible] example of the issue of a new [illegible] gilt-edged stock last month and said that "on other occasions, measures such as a call for special deposits might be more appropriate."

The upgrading of the growth forecasts for the next 12 months follow sthe completion within the last few days of the normal summer revision of the National Income Forecast.

Mr. Healey made it clear yesterday that this reflected faster growth in industrial production and exports than expected while unemployment should also be lower than predicted. He claimed that the rate of economic growth was consistent with getting unemployment down to 3 per cent. in 1979.

The forecast of faster growth is likely to be used by Mr. Healey in support of arguments for a cut

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Forces resist cuts Page 8

in public spending in 1977-78. He emphasised again yesterday that the expansion of productive resources should not be held back by competing public sector demands for finance.

Mr. Healey also indicated that the public sector borrowing requirement for 1976-77 should be somewhat less than the £12bn. forecast at the time of the Budget because of the rate of economic recovery. But there is stil considerable official reluctance to quantify the extent of the change forecast or of any new projections for 1977-78.

Although the emphasis in the public discussion and presentation of the spending cuts is on the need to shift domestic resources, the authorities clearly also recognise the concern felt overseas—for example by the IMF—about the need for significant reduction in the PSBR in 1977-78.

Ahead of hte expected statement—on the cuts later this month—senior Ministers, particularly Mr. Callaghan and Mr. Healey, have already launched a campaign to soften any criticism from Labour backbenchers to what are likely to be highly unpopular cuts in cherished programmes.

MR. HEALEY: possible use of special deposits

There will be at least two meetings of the Parliamentary Labour Party to listen to backbench views, one before the Cabinet takes its final decision on the size and scope of the cuts, and the second on the day they are announced in the Commons.

In addition, Mr. Healey has already sought a meeting next Monday with the 80-strong Tribune Group of Left-wingers who have declared themselves opposed to any further cuts in public spending.

It will be vital for Ministers to head off a potential revolt by Tribune MPs, 37 of whom helped to defeat the Government in March by abstaining on a vote on the public expenditure programme.

It appears certain that one of the Government's main tactics will be to argue that cuts in public spending are necessary to direct more funds to industry in [illegible] the National Enterprise [illegible] in particular.

Mr. Callaghan is likely to

Continued on Back Page

Ogilvy to resign all his directorships after Lonrho report

BY MARGARET REID

Mr. Angus Ogilvy, husband of Princess Alexandra, yesterday said he would resign all his company directorships after being severely criticised in the Department of Trade inspectors' report on Lonrho, of which he was a director until 1973.

The report on the company, the mining and industrial group with African interests which was the subject in 1973 of Mr. Edward Heath's remark about the "unacceptable face of capitalism," also severely criticises Mr. R. W. "Tiny" Rowland, the chief executive, and Mr. Alan Ball, the former chairman.

Criticisms are also levelled at other directors, including the present chairman, Lord Duncan-Sandys, in the 660-page report by Mr. Allan Heyman, QC, and accountant Sir William Slimmings.

Much of the criticism centres on the interest which Mr. Ogilvy and Mr. Ball shared with Mr. Rowland in the Nyaschere mine in Rhodesia and arrangements for financing it. The report contains references to U.K. sanctions legislation.

The arrangements made to pay th econtroversial proposed compensation of £130,000 to Lord Duncan-Sandys when he became chairman, and a more recent £307,000 expenses claim of Mr. Rowland also attract the inspectors' attack.

Allegations

Replying yesterday to the inspectors' finding that he was "negligent in fulfilling his duties as a director of Lonrho to an extent that merits severe criticism," Mr. Ogilvy said "their criticisms are unfair and their conclusions are unjust." He believed that the allegations were based on a number of incorrect assumptions and factual errors.

However, added Mr. Ogilvy, "Because I have no legal redress, there is no way that I can effectively clear my name. I am thus placed in an impossible position with my colleagues on the Boards of the companies on which I serve. In order to avoid embarrassing them I am, therefore, proposing to resign—because under the circumstances I feel that this is the only honourable thing to do."

Mr. Ogilvy is on the Boards of Rank Organisation, the Midland Bank, Guardian Royal Exchange Assurance and the property group MEPC.

In the oCmmons yesterday, Mr. Sam Silkin, the Attorney General, said that the Lonrho report had referred to the Director of Public Prosecutions, who had asked the police for assistance.

He addde: "It would be wrong to attach an yspecial significance to theses facts." It was the frequent practice in complex DOT inquiry cases for a copy of the report to be passed to the Director and for him, if he required futrher information, to request the police to carry out an investigation since the Department had no facilities to make inquiries.

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Indications are that the police inquiry may take up to a year to complete.

The report recalls how through a South African company, HCC Investments, the Nyaschere company in Rhodesia, which had a copper mine, was acquired by Lonrho, which subsequently channelled in funds which it borrowed for development of the mine. Through other companies, Mr. Rowland had a considerable interest, and Mr. Ogilvy and Mr. Ball, smaller interests in Nyaschere.

The report says that Mr. Ogilvy's family trust obtained its interest in Nyaschere in July, 1970; later the inspectors say that Mr. Ogilvy has consistently maintained that he was unaware in 1970 that he had acquired an interest in Nyaschere's Shamrocke copper mine.

The report says, however, that the inspectors do not accept Mr. Ogilvy's evidence in this matter. Referring to the terms on which Lonrho group funds were made available to Nyaschere it says these funds were "unduly favourable to Nyaschere and in consequence to Mr. Rowland and the family trust" of Mr. Ball and Mr. Ogilvy.

"We believe that Mr. Rowland acted improperly as joint managing director in lending his authority and approval to these transactions from which he derived personal benefit without reference to the Lonrho Board or shareholders and in our view his conduct merits severe criticism."

Account

The report also criticises the £307,000 expense account claim of Mr. Rowland approved by the Lonrho Board after controversy concerning Mr. Rowland's overdrawn personal account with the company. "In our view this claim which totalled £307,471 was prepared on a basis inconsistent with the facts."

The inspectors say that Lord Duncan-Sandys and director Mr. B. J. West did not discharge their duties in connection with Mr. Rowland's expense claim and that both attempted to shift responsibility on to others. Lord Duncan-Sandys is also criticised

Continued on Back Page

Cold reduced steel runs short as demand rises

BY DAVID HODSON

THE BRITISH Steel Corporation is failing to deliver enough cold reduced steel to meet the needs of the motor and the consumer good industries as they are expanding production to cope with rising demand.

Steel stockholders report that the BSC cannot provide anything near their current requirements for cold reduced sheet. "Our allocations are shocking," said a senior figure in the industry. Both the stockholders and individual industrial customers for cold reduced sheet are concerned that there is no prospect of the shortage ending soon.

Supply forecasts discussed between the BSC and industry indicate that the shortage of cold reduced sheet will persist beyond the summer and probably until the end of 1976. "We understand it is likely to be as bad between October and December," a company said last night.

Foreign sources

In recent weeks manufacturing industry and steel stockholders have had to get 40 per cent. of this sophisticated type of steel from foreign sources to meet production needs.

Cold reduced strip and sheet steel is one of the most expensive products of the steel industry. It has become an essential material for pressing motor car body panels, household equipment cabinets and many forms ow consumer durables which are built around a steel body.

The BSC's production problems centre on the Spencer steelworks at Llanwern where, it is generally acknowledged, the highest quality British cold reduced sheet is made. The Spencer works suffered severe restrictions on output last year and early this year because of a dispute over the manning of a new blast furnace.

Restocking

Since that dispute was settled, output has continued to be disappointing because of technical problems with the pickling line—an essential part of the sheet steel treatment process.

The Shotton steelworks, which is an alternative BSC source of cold reduced sheet has quality control problems which are said to de due to the age of the plant.

Although imports are running at such a high level for this type of steel they are unlikely to solve manufacturing industry's problems. Cold reduced sheet is not easy to get anywhere in Europe since industry has started restocking after the recession.

BSC's troubles in its strip mill division have seriously damaged its market share in the last three years. At one point it had lost half the home market to imports. The corporation clawed back a proportion of those sales but its present inability to supply is causing it to lose ground once again.

The BSC has not commented on its cold reduced steel problems beyond saying that there must be fluctuations in supply as demand rises and that the bulk of BSC customers are being supplied with most of their requirements.

One theory for the acute cold reduced sheet shortage is that the BSC has had some internal disagreements about its product route. If, as is suggested, the corporation is giving priority to supplying customers with hot rolled steel, it would mean a diversion of steel from the cold rolled products route.

Large rise in bank lending

BY MICHAEL BLANDEN

AFTER A further large rise in bank lending there are signs of a genuine recovery in demand for finance for new industrial stockbuilding and investment.

In the latest month, to mid-June, the underlying level of lending in sterling to the U.K. private sector by the London clearing banks may have risen by as much as £300m.

This follows two months in which loans are thought to have increased by about £400m. overall. A substantial part of the rise was probably due to special factors, including finance required for change sin "leads and lags" over the exchange market.

Nevertheless, Banking Information Service, which speaks for all the London clearing banks, takes a tentatively optimistic view. It comments: "There now seems to be some signs that the reported improvement in confidence among industrial and commercial enterprises is beginning to show in an increase in their loan requirements."

Bankers remain very hesitant about placing too much significance on recent trends. Some leading banks report that they have no clear evidence of any increase in requests for loans from industrial and commercial customers for new investment. Others say that they have seen some signs of higher loan demand, possibly associated with re-stocking as the economy improves.

Differentials

The recorded increase in sterling loans by the London clearing banks to the U.K. private sector was £131m. to £14.3bn. over the four-week period to June 16. However, this came at a time when the seasonal influences would normally have been downwards, so that the underlying rise is thought to have been substantially greater.

The figures for individual banks also highlight the impact of interest rate differentials in a period when National Westminster Bank's rates were ¾ per cent. higher than at the other big banks. For nearly three weeks, after base and deposit rates were increased on May 25, NatWest was using an 11 per cent. base rate against only 10½ per cent. at the other banks.

The bank stresses that the exact impact of the differential cannot be identified. But it was clearly a significant factor in NatWest's £14m. fall in advances while the other banks all showed increases. Higher deposit rates may also have contributed to NatWest's £166m. rise in deposits, the biggest increase among the banks.

Interpretation of the overall lending figures in recent months has been complicated by the effect of the fall in sterling. Extra finance was needed by companies which were trying to protect themselves by putting off foreign currency receipts and advancing payments.

This element may have continued to the early part of last month. By now, there have been some reversal of this movement as sterling has recovered following announcement of the $5.3bn standby credit.

Last month's figures were also inflated by companies switching their borrowing back to the big banks after an earlier move to cheaper money market sources before the general rise in the level of interest rates. The banks are, therefore, looking to this month's figures to clarify the basic trend in lending.

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LOMBARD

Neglecting the home side

BY C. GORDON TETHER

THE CALL which Mr. James Callaghan, the Prime Minister, made to the business community last week to attach a higher priority to investment in Britain had a very familiar ring about it, did it not?

Year after every year, we have seen similar appeals going out from Whitehall—usually accompanied by sombre warnings about the sad fate that would overtake the people of this country if they were not heeded. Yet British companies have devoted less and less to investment on the home front, while displaying an ever-increasing enthusiasm for building up their empires abroad. So is it not high time that the Government ceased to limit itself to wishful thinking and made an effort to discover where the trouble really lies as a prelude to taking meaningful remedial action?

This is obviously the common-sense reaction. And it so happens that it is given chapter and verse endorsement in the recently published EAG Business Research Study report by Mr. Tom Huston and Professor John Dunning on "U.K. Industry Baroad." Urging the Government to make a detailed investigation into the effects that the activities of British of foreign multinational companies are having on the economy, this asserts that existing British policy towards overseas investments "derives from no general principle and has been largely ineffective."

Lop-sided

It would be difficult to conceive of a more damning indictment. Yet it is all too true. Earlier in the post-war period, the overseas investment figures and their significance for the country's overall payments experience regularly received public attention. And the Government of the day found it necessary to explain what was happening and to adjust official policy from time to time in the light of changing circumstances. But for some time past it has been the official practice to behave as though what going on in this part of the field was not important enough to warrant more than passing notice and that in any case the situation was such that there was little hope for changing course.

The result is that there is very little awareness in the country at large of how important a part net capital outflows arising from investment activity are playing in adding to our external payments troubles problems. And there is equally little awareness of the effect that the development of this lop-sided traffic is having on the levels of industrial investment—and thence of employment—in this country.

It will be recalled that one of the main arguments that the Heath Government adduced for taking Britain into the EEC market of 250m. was that this would spark off long sought after resurgence of industrial investment in Britain

What the EAG report confirms is that British firms are going into production in other parts of the EEC in ways that are directly competitive with production in the U.K. Moreover, "while British firms are increasingly supplying Continental markets from local facilities, Continental firms choose to service the U.K. market by exports rather than by producing here."

Since — as an international study has now confirmed — the inducements to investment in Britain provided by the State are as good as are to be found anywhere in the industrialised world, this situation takes a lot of explaining.

Structural

For one thing, far more attention ought to have been paid long since to a structural defect in the U.K. financial system which has often been mentioned in this column over the years and which Sir Frederick Catherwood, chairman of the British Institute of Management, featured as a major cause of the British sickness in an article he contributed to a recent issue of "Vision," the European business magazine. This is the City's "international orientation."

As Sir Frederick observes, just because it is so international, it serves local industry less well than do capital markets in the European Community and Japan. Moreover, over the past ten years it has allowed its fears for the health of British industry "to cause it to look further afield rather than to bring it running to do what it could to help."

The EAG report comes out against using controls to ensure that the British business system devotes an appropriately large part of its available financial resources to investment at home rather than abroad. However, it has to be asked whether, at a time when so much investment is being financed from ploughed back profits, the community at large does not have the right to demand that its interests are safeguarded in this way.

RACING — BY DOMINIC WIGAN

Little opposition to Pougatchof

I CANNOT remember the last time a French-trained two-year-old came over for Newmarket's July Stakes and it will be interesting to see how the Richard de Tarragon-trained *Pougatchof* fares in to-day's running of this valuable and coveted six-furlong event.

This American-bred colt by Impressive out of Igraine, an un-raced half-sister to top class sprinter Realty, has made one public appearance. Just over three weeks ago at Maisons-saw him when defeating the well thought of Burton by three lengths.

Like many of the horses in the ownership of Mr. and Mrs. Malcolm Parrish, Pougatchof is to be ridden by Lester Piggott—who, presumbaly, suggested the raid—and seems sure to make a bold bid.

With apparently sub-standard home-trained opposition to contend with, the cheaply-bought Pougatchof (an $11,000 purchase) is suggested as the probable answer.

I expect to see him followed home by hte under-rated King Elect, who might have retained his unbeaten record three weeks ago had Piggott held him up for a late burst in Ascot's Fenwolf Stakes.

Many backers will pin their hopes on *Free State*, a heavily-backed ante-post favourite for the William Hill Silver Vase.

NEWMARKET
2.00—Salote
2.30—So Sharp
3.00—Pougatchof*
3.30—Free State**
4.05—Oriental Star
4.40—Beau Dutch***
5.10—Ragotina

CATTERICK
2.45—Hand Canter
3.15—Snow Forever
4.45—Make a Signal

DONCASTER
6.45—Heath Wood
7.15—French Princess
7.45—Tzi-Tzi Girl

The Peter Walwyntrained Hotfoot colt, who is held in such high regard by his partner, champion jockey Pat Eddery, has run well on all his five previous appearances.

Last time out he showed himself to be only just short of top class when failing narrowly to give a fair amount of weight to Strabo and Lord Helpus in the Brittania Stakes over to-day's one-mile trip at Royal Ascot. A reproduction of that running should see him justifying his market position in impressive style.

With five smart handicappers, including Intermission and Hayloft, withdrawn from the Duchess of Montrose Handicap at the final declaration stage, the way has been made considerably easier for that game Falcon filly, *Oriental Star*.

I cannot see one likely to lower the colours of Michael Stoute's strong three-year-old, who won from Rerico at Leicester in June after being disqualified for causing interference at Doncaster in the previous month.

A second likely winner for Stoute is the progressive Ribocco colt, *Beau Dutch*, who showed that he was returning to his best for mwhen finishing fourth to Shangamuzo in the King George V Stakes at the Royal meeting.

He is suggested with confidence for the Clare Handicap (4.40), which has cut up badly, leaving only two other runners, Tutu and Silversmith.

SALEROOM — BY ANTONY THORNCROFT

£70,000 for Egyptian statue

THE REVIVAL in demand for Chinese works of art was impressively confirmed at Sotheby's last major sale of the season yesterday, which totalled £639,775. Many of hte prices were exceptional.

S. H. Chan, a Hong Kong dealer, paid £53,000 (plus the 10 per cent. buyer's premium) for a rare early 15th century saucer dish, decorated with brown branches. An anonymous buyer gave £52,000 for an even rarer 14th century Yuan copper red and blue glazed bowl. Both prices were well above their estimates.

Other outstanding results were the £48,000 from Hugh Moss for a ruby ground K'ang Hsi censer, made for the Emperor, and the £44,000, from Chan again for an enamelled Ming Tou Ts'ai wine cup from the first period of enamel wares in the late 15th century. An identical cup sold for £6,000 at Sotheby's in 1966.

Also worth noting were the £34,000 for a previously unrecorded green glazed lamp of the late 6th century, from Northern China; £32,000 for a T'ang glazed figure of a polo player; and £31,500 for another T'ang figure, of a saddled horse.

At Sotheby's sale devoted to Oriental miniatures, manuscripts and Qajar paintings, which totalled £74,210, the Felton Bequest of Melbourne paid £5,800 for a portrait of a Pahari prince, fro mearly 18th century India. A Qajar painting of a girl playing a fiddle sold for £5,000 to an Iranian collector.

Lady of House Enehey. Sold for £70,000.

An Egyptian-seated statue from the late 18th to the early 19th dynasty, the kind of object which only rarely appears in the saleroom, was sold at Christie's yesterday for £70,000 to the Japanese dealer, Matsuoka (who will have to pay a further £7,000 in premium).

The limestone tomb statue, just over 4 fet high, is of the Lady of the House Enehey, and its history is obscure, but it was sold by the Lord's New Church of Pennsylvania which inherited it from the late Reverend Theodore Pitcairn, also a noted collector of Impressionist paintings.

Christie's had perhaps hoped for more from the statue, but this is a very specialised market, the antiquities sale totalled £153,653.

The Jenkins vase, an urn over five feet high, with the base dating from the time of the Emperor Augustus, was sold to the London dealer Cyril Humphries for £13,000. It depicts the marriage of Helen and Paris. Its name derives from the 18th century antiquarian, Thomas Jenkins.

Matsuoka paid £8,500 for an Umbrian votive figure of a warrior, dated 450 B.C. An Attic ampharoa of around 450 B.C., belonging to Lord Belper, went for £4,500.

The Fitzwilliam Museum, Cambridge, gave £520 for another Attic vase and the University of Queensland £450 for an Etruscan bronze mirror plate.

GOLF — BY BEN

Irwin's long irons may rule the week

TO SAY that a British victory in the 105th Open championship at Royal Birkdale over the next four days is as likely as the rainwear manufacturers exhibiting their wares in the magnificent exhibition tent making a record profit, is more than a little ungracious. But it is intended to be pitilessly realistic.

Everyone is talking about the "British revival." But in the moments of truth in late afternoon on Saturday, the likely winner is obviously going to be a golfer who has competed all year—and probably for many more before it—in the most exalted company. Much as one appreciates the British revival, there is only one golfer from the home country or countries that comes into that category, namely Peter Oosterhuis.

It is one of the tragedies of our time that it is so difficult to read anything coherent about the feats of our sporting heroes abroad. In fact Oosterhuis was dismissed in a couple of paragraphs, baldly stating his 9th place finish in the Western Open at Butler National Gold Club in Chicago two weeks ago.

I happened to be commentating at that event, and have never been more appreciative of the fine line that exists between success and failure. With six holes to play Oosterhuis was outright fourth at five over par, the eventual winning score. Alas, he dropped strokes to par at the 14th and 17th holes and another two at the 18th, which he rightly regards as the most difficult finishing hole in American tournament golf, to end as a mere also-ran behind his great friend Al Geiberger.

Geiberger is a sorry absentee here, almost certainly because it is insisted that he compete in the white heat of New York next week in the $300,000 Westchester Classic, a designated tournament for the exalted few. By scheduling such an event immediately behind our Open, U.S. PGA tour commissioner Deane Beman has put more than a little pressure on players like Geiberger, who finished second in the U.S. Open before winning in Chicago. There is only so much that a man can physically stand in terms of travel.

Oosterhuis is obviously the best—and in my opinion the only—British hope with a realistic chance, well as Tony Jacklin always plays under these circumstances. He can at least remember the glories of yesteryear at Royal Lytham in 1969, when he became the first British player since Max Faulkner won the title in 1951 to accomplish this particular feat.

A factor at Royal Birkdale this week will obviously be the ferocious heat. Yesterday afternoon at 4 pm the officially recorded temperature on the course was 93 degrees. The layout is bone dry, despite the Herculean efforts of head greenkeeper Douglas Pate and his men to kep it green, and the No. 1 iron is likely to be a major factor if, as the forecasters expect the weathe remains much the same until weekend.

In these conditions a lot can depend upon the draw. It is obviously no handicap to start out early, but it may definitely become one in the later stages.

The last trio is due to tee-off at 4.15 pm, and this is more likely to be closer to 5.

If only because he recorded his first Open championship victory at Muirfield in 1966, largely by virtue of his brilliant use of the one iron from the tee, Jack Nicklaus must be a worthy favourite at 9-2.

Nicklaus starts at 12.30 to-day alongside the five-times champion Australian Peter Thomson, who won his first and last titles here in 1954 and 1965. On the latter occasion Thomson was superb in manipulating the ball with his three-wood.

The veteran Thomson is unlikely to be a factor again, but it is of great satisfaction to him and all his countrymen that there are no fewer than 14 Australians in the championship proper.

Of these, the former Perth mathematics teacher Graham Marsh is obviously the leading contender, especially since Jack Newton, last year's runner-up, reports that his mysterious foot ailment—diagnosed as anything from a torn ligament to a tumor—is giving him more and more trouble. He went to yet another doctor last night, and may not play.

I filmed last week in Ireland with Marsh, Gary Player, U.S. Masters Champion Ray Floyd and Jacklin, and by far the best man on current form of that small group must be Marsh, who is quoted at 25-1 alongside Floyd, defending champion Tom Watson, the U.S. Open champion Jerry Pate, and Neil Coles, who many think possesses t chance.

My own opinio at the age of chances. Veter likely to be few between in t future.

So let us run in an effort to gi to those with w It must be borin be forever told winner of the t pionship in 1974 short list, but him as terrific because the dyn none too well resident in his is such a great fairway wood pla be on anyone's time.

The second fa Miller (8-1) is a He arrived he afternoon—remi last Tony Lema but he appears motivation tha missed character

Yesterday Hu round the cours week-by-week fo give that a 16-1 as is the 11-1 of Weiskopf, with back from Chea Open.

I have know years and most frustrated by h inadequacies. I believe he is g together in the way at present. best of all. It n he is my selectio

Of those st defending chan none too happil while Weiskopf fractionally wor and Marsh are spiked up green do at 3.35, whil hope of Britain has a horribl leaving the club

Of those I ha likely winners marvellous draw

Since the 1971 has been alter except in con exceptional—un credit on all co days the first longer, but it being shortened

There is obvi of a record se previous recor equalled by We 1973. But one There must be regional qualify obviate the use for the qualifyi

TV/Radio

† Indicates programme in black and white.

BBC 1

7.05 a.m. Open University (UHF only). 10.55 Golf: The Open Championship. 1.15 p.m. News. 1.30 Bod's Present. 1.45 Golf: The Open. 4.23 Regional News (except London). 4.25 Play School. 4.50 Speed Buggy. 5.15 The Changes. 5.40 Barbapapa.
5.45 News.
6.00 Nationwide (London only).
6.20 Dr. Who.
6.45 Montreal—A Royal Pursuit: candid, informal look at Princess Anne and Captain Mark Phillips.
7.20 The Great American Picture Show: "The Adventures of Robin Hood," starring Errol Flynn.
9.00 News.
9.25 Explorers.
10.15 André Previn's Music Night. To-night including The United States Welcome to the Queen.
11.10 Weather/Regional News.

All regions as BBC 1 except at the following times:

Wales—4.50-5.15 p.m. Y Tir Newydd—America. 5.15 Heddiw. 6.00-6.20 Wales To-day. 7.20 Go With Noakes. 7.45 The Osmonds. 8.30-9.00 The International Eisteddfod. 12.00 News and Weather for Wales.

Scotland—9.35 a.m. Dastardly and Muttley (cartoon). 9.45 Jackanory. 10.00 Devlin. 10.25 Roobarb. 10.30-10.55 Country Search. 6.00-6.20 p.m. Reporting Scotland. 12.00 News Summary and Weather for Scotland.

Northern Ireland—4.23-4.25 p.m. Northern Ireland News. 6.00-6.20 Scene Around Six. 12.00 News Summary and Weather for Northern Ireland.

England—6.00-6.20 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South West (from Plymouth).

BBC 2

6.40 a.m. Open University.
10.35 Nai Zindagi Naya Jeevan.
11.00 Play School.
4.25 p.m. Golf: The Open Championship.
7.30 News on 2.
7.40 Gardeners' World.
8.10 George Hamilton IV and Other Folk.
8.35 Who Said That?
9.00 Happy Birthday America.
9.30 The Love School.
10.50 Golf: The Open (highlights).
11.40 Newsnight.
11.55 Closedown: Lyndon Brook reads "Rembrandt," by Elizabeth Jennings.

LONDON

†9.45 a.m. Bertrand Russell Speaks His Mind. 10.00 Advanced Driving With Graham Hill. 10.25 Keep Britain Slim. 10.50 Cartoon. 11.00 Inner Space. 11.25 The Royal Show. 12.00 Here Comes Mumfie. 12.10 p.m. Mr. Trimble. 12.30 Three Little Words. 1.00 First Report: News: FT index. 1.20 Lunchtime To-day. 1.30 Crown Court. 2.00 Good Afternoon. 2.20 Racing from Newmarket. 3.35 The Royal Show. 4.25 Michael Bentine's Potty Time. 4.50 Hogg's Back. 5.20 The Flintstones.
5.50 News from ITN.
6.00 To-day.
6.35 Crossroads.
7.00 Don't Ask Me.
7.30 Coronation Street.
8.00 Summer Night Out.
9.00 Killers.
10.00 News.
10.30 Listen To My Music: "A Tribute To Ted Heath and his Music."
11.35 What The Papers Say.
11.50 Wrestling.

All ITV regions as London except at the following times:

ANGLIA

10.30 a.m. Halas and Batchelor Cartoon. 10.40 Here Comes the Future. 11.05 Jane Austen and Her World. 11.30 Learning Something Practical. 1.25 p.m. Anglia News. 2.00 Houseparty. 5.20 The Beachcombers. 6.00 About Anglia. 11.40 Wrestling. 12.05 a.m. The Big Question.

ATV MIDLANDS

10.30 a.m. The Life and Times of J. W. Rainbird. 1.20 p.m. ATV Newsdesk. 5.20 ATV Today including Junior Police Five (Part 1). 6.00 ATV Today (Part 2). 11.40 Wrestling.

BORDER

11.05 a.m. Jane Austen and Her World. 11.30 Learning Something Practical. †1.20 p.m. Border News 2.00 Houseparty. 5.20 The Count of Monte Cristo. 6.00 Borders News and Lookaround. 11.40 Wrestling. †12.05 a.m. Border News Summary.

CHANNEL

1.20 p.m. Channel Lunchtime News and What's On Where. 5.20 Arthur. 6.00 Report at Six 11.40 Wrestling. 12.05 a.m. News and Weather in French followed by Epilogue.

GRAMPIAN

11.05 a.m. Jane Austen and Her World. 1.20 p.m. Grampian News Headlines. 2.00 Houseparty. 5.20 Wait Till Your Father Gets Home. 5.45 Police Newsroom. 6.00 Grampian News and Farming News. 6.15 The Woody Woodpecker Show. 11.40 Wrestling. 12.05 a.m. Evening Prayers.

GRANADA

10.50 a.m. Untamed World. †11.15 Pete Smith. 11.25 Here Comes Mumfie. 1.20 p.m. This is Your Right. 5.15 Take Kerr. 5.20 Crossroads. 6.00 Granada Reports. 6.30 Here's Lucy. 12.20 a.m. Thank You and Goodnight.

HTV

11.05 a.m. Jane Austen and Her World. 11.30 Learn Something Practical. 12.30 p.m. Winner Takes All. 1.20 Report West Headlines. 1.25 Report Wales Headlines. 2.00 Houseparty. †5.20 Chucklehoads. 5.25 Crossroads. 6.01 Report West. 6.15 Report Wales. 6.30 Three Little Words. 11.35 Wrestling.

HTV Cymru/Wales As HTV General Service except:—1.20-1.25 p.m. Penawdau Newyddion Y Dydd. 4.25-4.50 Rhifyddodau. 6.01-6.15 Y Dydd.

HTV West—As HTV General Service except:—1.20-1.30 p.m. Report West Headlines. 6.15-6.30 Report West.

SCOTTISH

11.05 a.m. Jane Austen and Her World. 11.30 Making Things Fit. †1.25 p.m. Road and Weather Report. 2.00 The Engineer is a Woman. 5.20 Star Spangled Scots. 5.25 Crossroads. 6.00 Watch This Space. 6.30 At Home with Kenneth McKellar. 11.42 Wrestling. 12.05 a.m. Late Call.

SOUTHERN

10.30 a.m. "Spaceflight IC-1" starring Bill Williams. 11.30 Learning Something Practical. 1.20 p.m. Southern News. 2.00 Houseparty. 5.20 Sinbad Junior. 5.25 Crossroads. 6.00 Day by Day. 11.40 Wrestling. 12.05 a.m. Southern News Extra.

TYNE TEES

11.00 a.m Starting Point. 11.05 Jane Austen and Her World. 11.30 Making Things Fit. 1.20 p.m. North East News and Lookaround. 2.00 Women Only. 5.20 Wild Life Theatre. 6.00 Today at Six. 11.40 Epilogue.

ULSTER

11.05 a.m. Jane Austen and Her World. 11.30 Making Things Fit. 1.20 p.m. Ulster News Headlines followed by Lunchtime. 6.25 Ulster News Headlines. 5.20 Fantastic Voyage. 6.00 Summer Reports. 11.40 Wrestling.

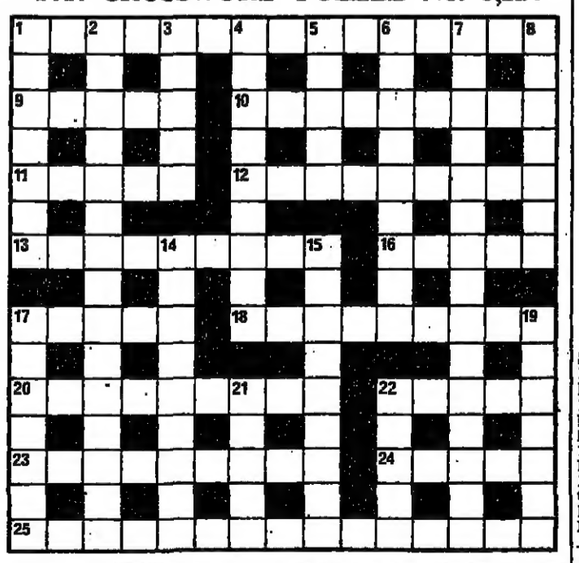
WESTWARD

10.05 a.m. Sesame Street. 11.05 Jane Austen and Her World. 11.30 Learning Something Practical. 12.25 p.m. Gus Honeybun's Birthdays. 1.20 Westward News Headlines. 5.20 Arthur. 6.00 Westward Diary. 11.40 Wrestling. 12.05 a.m. Westward Late News. 12.08 Faith for Life.

YORKSHIRE

10.55 a.m. The Expansion of Life on Land and Amphibians and Reptiles. 11.05 Tales of Washington Irving. 1.20 p.m. Calendar News. 5.20 Calendar. 6.00 Calendar (Emley Moor and Belmont editions). 11.40 Wrestling.

F.T. CROSSWORD PUZZLE No. 3,124



ACROSS

1 Indulge in youthful excesses—in the field? (3, 4, 4, 4)
9 Paid about a pound for Scottish cloth (5)
10 Perpetually giving eastern bird to friend . . . (9)
11 . . . but different returning to her (5)
12 Grammatically it's perfect (4, 5)
13 Beat the aged at the outset (9)
16 Gambles on defenders (5)
17 Soon to accept power and love (5)
18 One who understands and rends rice mixture (9)
20 Sheer drop when Indian coin is reversed in price . . . (9)
22 . . . and money for orchestral section (5)
23 I'm like Peter Pan, having no statue (9)
24 Be a child on the shore (5)
25 Feels nervous—having made a draught? (4, 3, 6, 2)

DOWN

1 Drink wine to nourish (7)
2 Force hates water being changed for an elementary prediction (7, 8)
3 Free one coming up in the lowest point (5)
4 She goes to record embrace requiring pen (9)
5 Thoughts from inside Asia (5)
6 Study circle on board, it may be indicated (9)
7 A tough proposition, as much as one person can control (3, 3, 3, 6)
8 Throw to point in timidity (7)
14 Sent round noon time in emotion (9)
15 Medicine man giving out quantities of alcohol? (9)
17 Silly fellow goes to fish for a tree (7)
19 Fruit got up on joint (4-3)
21 Greek goddess to be found in wire netting (5)
22 Stomach a big book (5)

SOLUTION TO PUZZLE No. 3,123

RADIO 1 — 247m

(S) Stereophonic broadcast

6.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Tony Blackburn. 12.00 Paul Burnett, including 12.30 p.m. Newsbeat. 2.02 David Hamilton (S) (also on VHF). 4.30 Johnny Walker. 5.45 Newsbeat. 6.02 Sam Costa (S) (joins Radio 2). 11.00 John Peel (S) (also on VHF). 12.00-12.05 a.m. As Radio 2.

RADIO 2 — 1,500m and VHF

6.00 a.m. News Summary. 6.02 Don Durbridge (S), including 6.15 Pause for Thought. 7.02 Terry Wogan (S), including 8.27 Racing Bulletin. 8.45 Pause for Thought. 9.02-11.30 Pete Murray's Open House (S), including 10.02 and 11.02 Golf: Open Championship. 10.30 Waggoners' Walk. 11.30 Jimmy Young (S). 12.02 and 1.02 p.m. Golf: Open Championship. 1.50 Sports Desk. 1.55 Good Listening (VHF). 2.02 David Hamilton (S) as Radio 1, but including on 1,500m only (also 202m Scotland) 2.45 Sports Desk, Racing from Newmarket. 3.05 Sports Desk. 4.30 Waggoners' Walk. 4.45 Sports Desk. 4.50 Sam Costa (S), including 5.45 Sports Desk. 6.45 Sports Desk. 7.02 Games People Play. 7.30 Sports Desk. 7.32 A-Pickin' and A-Grinnin'. 8.02 Two in Mind (S). 8.30 Sing Something Simple (S). 9.02 Command Performance (S). 10.02 Sports Desk. 10.05 Words and Music (S). 11.02 Jean Challis with The Late Show (1,500m only also 202m Scotland. VHF Joins Radio 1). 12.00-12.05 a.m. News.

RADIO 3 — 464m, Stereo & VHF

† Medium Wave only

†6.55 a.m. Weather. 7.00 News. 7.05 Your Midweek Choice, part 1 (S). 8.00 News. 8.05 Your Midweek Choice, part 2 (S). 9.00 News. 9.05 This Week's Composer: Grieg (S). 10.00. Organ Music (S). 10.45 Cello and Piano recital (S). 11.45 Eric Coates concert (S). 1.00 p.m. News. 1.05 Concert Club, part 1: Haydn, Tippett (S). 1.45 Words. . . . 1.50 Concert, part 2: Beethoven (S). 2.35 Berlin Philharmonic Orchestra: Weber, Beethoven (S). 3.15 The King Was Bored: popular music of the Edwardian era. 3.50 Schubert Songs with Readings (S). 4.30 Bach, Hindemith and Stravinsky (S). 5.00 Choral Evensong. 35.45 Homeward Bound. 26.05 News. 26.10 Homeward Bound (continued). 26.30 Lifelines: Language and Communication. 7.30 Live from the Chichester Festival, part 1: Mozart, Chopin (S). 8.15 The Arts Worldwide. 8.30 Concert, part 2: Elgar (S). 9.30 Barbara Ward in conversation with Jeremy Bugler. 10.05 Beethoven piano recital (S). 10.20 Voices and Brass (S). 11.25-11.30 News.

Radio 3 VHF only—6.00-7.00 a.m. and 5.45-7.30 p.m. Open University.

RADIO 4 — 434m, 330m, 285m and VHF

6.20 a.m. News. 6.22 Farming To-day. 6.00 Prayer for the Day. 6.45 To-day. 7.00 News and more of To-day including 7.25 VHF Regional News. 7.45 Thought for the Day. 8.00 News and more of To-day including 8.25 VHF Regional News. 8.45 Yesterday in Parliament. 9.00 News. 9.05 The Living World. 9.35 Parents and Children. 10.00 News. 10.05 In Britain Now. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 Round Britain Quiz. 11.30 Thirty-Minute Theatre (S). 12.00 News. 12.02 p.m. You and Yours. 12.27 Brain of Britain 1976. 112.55 Weather, programme news, VHF (except London and S.E.) Regional News. 1.00 The World at One. 1.30 The Archers. 1.45 Woman's Hour including 2.00-2.02 News. 2.45 Listen with Mother. 3.00 News. 3.05 Afternoon Theatre (S). 4.00 News. 4.05 Songs Over The Land. 4.35 Story Time. 5.00 PM Reports. 15.50 Financial Report. VHF Regional News. 5.55 Weather, programme news. 6.00 News. 6.15 Twenty Questions. 6.45 The Archers. 7.00 News. 7.05 The World in Focus. 7.30 It's Your Line. 8.30 Nobody Knows Where The Turtle Goes. 9.00 Quote . . Unquote. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World To-night. 10.45 A Book at Bedtime. 11.00 The Financial World To-night. 11.15 To-day in Parliament. 11.30 News.

BBC Radio London — 206m and 94.9 VHF

6.00 a.m. As Radio 2. 6.30 Susie Barnes with Rush Hour. 9.00 Richard Vaughan with London Live. 11.03 Jenny Thompson and Diana Rice with In Town. 12.03 p.m. David Symmons' Call In including 12.45 London News Desk. 2.03 Paul Owens with 208 Showcase. 4.03 In the News. 4.32 Tony Fish with Home Run including 5.00 and 6.00 London News Desk. 7.00 Jenny Thompson and Diana Rice (as 11.03 a.m.). 8.00 Quest. 8.30 Soul 77. 10.03 Robbie Vincent's Late Night London. 12.00-12.05 a.m. As Radio 2 until close-down.

London Broadcasting — 261m and 97.3 VHF

5.00 a.m. Morning Music. 6.00 "A.M.": breakfast-time show. 10.00 Brian Hayes: talking to London. 1.00 p.m. Newswatch. 5.00 Newsbreak. 7.30 Jazz in Stereo. 9.00 Nightline. 1.00-4.30 a.m. Nightroute: news every half-hour through the night.

Capital Radio — 194m and 95.8 VHF

6.00 a.m. Graham Dene: The Breakfast Show. 9.00 Michael Aspel. 12.00 Dave Cash: Cash on Delivery. 3.00 p.m. Roger Scott. 7.00 Jane Walmsley and Bryan Wolfe: London To-day. 7.30 Adrian Love: Open Line. 9.00 Nicky Horne: Your Mother Wouldn't Like It. 11.00 Tommy Vance: The Late Show. 2.00-4.00 a.m. Night Flight.

GARDENS TO-DAY

A touch of the sun

BY ROBIN LANE FOX

I HATE the hot weather, and my newly sown lawn has still not reached the "two-blade" stage at which the poison makers recommend their chemical loxynil to kill off broad-leaved weeds. It is too low to be mown and too patchy to be presentable. Self-sown dandelions and thistles have moved in on its gaps and are putting down their taproots to draw off any dampness.

In no mood for gardening, I have fled to the lower reaches of the lists of north Italian pensiones and live only on rumours, the hotel-owners being too small to bother with the English newspapers. News is coming from some source, though, and I suspect it is being sub-edited to suit my declared interest in gardening. I hear of a dozen British pigs who have died in the heat at a farmers' show as they were standing forward to receive their rosettes; commuters are said to have smashed train windows and to have been arrested for watering their West Country gardens by moonlight; the greenfly count is higher than the FT index and there is talk of a VAT rate of 16.3 per cent. on sales of watering cans which are not for use on classified herbs and soft fruit.

Mountains

I would rather not think about the state of my young lettuces and my shade-loving woodland lilies.

Flowers, however, exist outside dry gardens, and an early summer holiday allows one to see the best mountain flowers without worrying about woods or a lack of water. Snow still melts on European mountains, diminished though it is. Balkan flowers are accustomed to drought and the hair on the leaves of many mountain plants is a check to their loss of water in sunshine. There are few sites for a continental holiday which have no botanical attractions. I have been listing the books which have helped me with holiday wild flowers, and which I would not leave out of a summer suitcase. It is so tiresome to see a handsome plant and not to know its name.

No guide is as easy or perfect as one always wishes, but the foreign floras are almost as happy a happy hunting-ground as the meadows themselves. I need hardly add that it is possible to buy shrewdly, profitably or stupidly. My suggestions may help you to track down a Gentian in two months. Some, I believe, will be of great interest to your grandchildren.

I would begin, of course, with Anthony Huxley's book as he is so accurate and clear-headed. His *Mountain Flowers in Colour* went into a second edition recently for a mere £2, published by Blandford: there are more than 800 coloured drawings and many helpful line drawings which cover plants from the Pyrenees to the Julian Alps and centre on those to be found above 4,500 feet. It is more or less pocket sized and its descriptions are technical but always discerning. I have used it on three mountain holidays and have not been let down. With Oleg Polunia, Huxley had also produced the *Flowers of the Mediterranean*, an extremely helpful book for holidays beside the sea as far as Greece and still available from Chatto and Windus: my 1972 edition cost £2.50 and scored some quick and memorable successors when I found myself among Majorca's convolvulus and cistus for the first time.

Polunia's bigger *Flowers of Europe*, a field guide, is available from OUP at around £5, depending on which price-rise you run into. It is a splendid book but not one to lug out into the meadow; there is, however, a smaller soft-cover abridgement.

Visitors to Spain will not be surprised to discover that they can be happy in the Pyrenees and their marvellous flora, such saxifrages and campanulas as you will not see elsewhere, in my opinion a more memorable holiday than a fortnight on the botanically barer Costa Brava. "A. W. Taylor's *Wild Flowers of the Pyrenees* cost me £1.50 from Chatto and Windus and has 90 photographs which will make sense on the day when I can take it out into the field: it replaces other slighter Pyrenean works with which I have toyed before.

Spain

Further south, Lt. Cdr. C. M. Stocken's *Andalusian Flowers and Countryside* is expert and quite splendid: it appeared in 1969 at £1.25 from a small Devon publisher at Kingsbridge and is perhaps most easily found now in libraries. Spain is also covered by the wide-ranging Polunia in his large *Flowers of South-West Europe* from OUP at about £6, but this is not comprehensive nor always manageable.

At the other end of things, we all come across meadow flowers throughout Europe, and I was impressed by the value of the small *Wild Flowers of Europe* in Paul Hamlyn's list, when it cost me around 50p some years ago. Translated and printed in Czechoslovakia, it has 50 well-coloured plates of flowers which you mee which do not gi Even if its doubled, it is

Naturally, th covered by the Nearly 90 year *Taschenflora d derers* is into and should no French or Engli German descri translated. I mileage out of would now cost am not sure tha *Unsere Alpen* helped me mor duced to this s my days with Be Society whose rambled on lederhosen: it the Swiss Alpine in print both French, illustra in colour. It here or bought and I have ofte you find Hegi's it, this old an book should be once. I have se book-shops and can still be pick by those on thei botanical holida

European c

France, I fea well covered in my experience, it is so varied. choices are eithe or massively being the name latter. Keep though, for Arl *dio della Flora* late 19th centu was popular onc a common find shops.

Lastly, whe bothered by a E true or falsely s feels such an i these marvellou they are often puzzling. Were flowers of the Gr "inscribed with kings" or the believed to stan spotted and bl suggest that th been, and here helped most b translation of *Orchids of Europ* by Blandford in cost £1 or so found in botanic

When you wo is a Bee, Monk Spotted variety nearly picknicke rumours of dro book is the cheap guide to the wherever you fin

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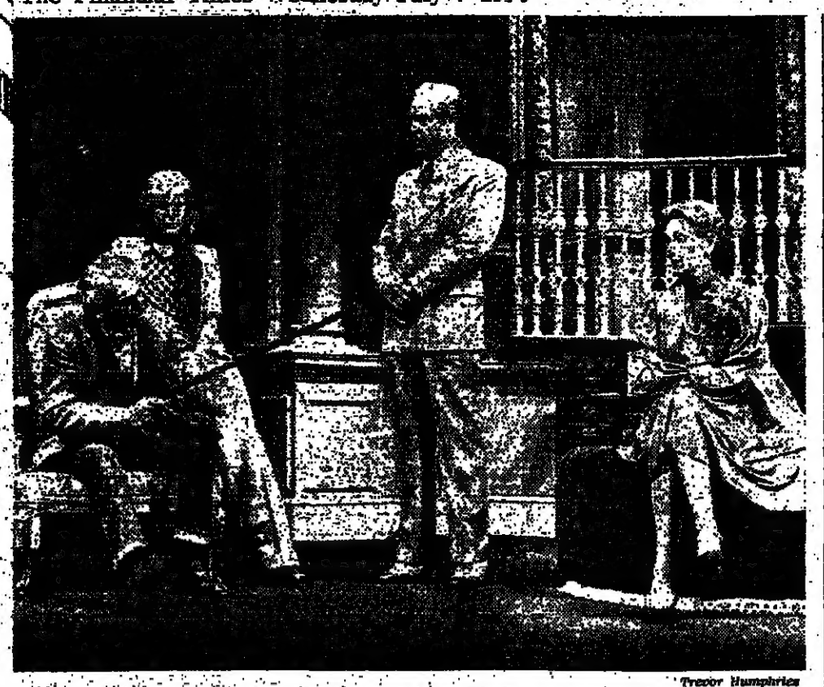


Trevor Humphries

glas Fairbanks Jnr., Belinda Carroll, David Langton and Dinah Sheridan in "The Pleasure of His Company," which opens to-night at the Phoenix Theatre

ltenham Festival

Fourth of July concerts

by MAX LOPPERT

start of the Sunday even- BBC Symphony Orchestra rt in the Town Hall almost predictable—Charles *Fourth of July*, the com- at his most exhilarating, -enhancing celebration of ng and uncontainable ican energy. The punchy, ng performance under Law- Foster made a good start programme of Barber, win and Copland, not ly successful in all its parts ber's *Dover Beach* for bari- (Brian Rayner Cook) and quartet was quite over- by the acoustics—but effec- in lifting sweat-dampened s.

notable departure from of the Bicentennial orches- concerts of the last month was the inclusion of a ly uncompromising and s Concerto for Violin and by Roger Sessions, this its first British perform- As an admirer of the honics and string quartets is revered senior American oser, I immediately recog- and respected the con- 's unflawed integrity, carry- on the Schoenbergian line rial musical argument in a ner at once thorough and forceful; but I have to say that, except for a few moments of neo-Brahmsian lyricism in its central Adagio, the music seemed not to excite the senses. This is despite the wonderfully ardent enthusiasm with which the soloists György Pauk and Ralph Kirshbaum threw themselves at their difficult parts.

Earlier in the day, the Nash Ensemble had continued this year's Bliss explorations with a chamber concert entitled "The *Revolutionary Bliss.*" This meant, principally, *Madame Noy* (1918) and the once-notorious *Rout* (1922), both for soprano and small ensembles (conducted here by Lionel Friend) and both sung with accuracy, verve and charm by Jane Manning.

Though hindsight wisdom is the easiest kind, the comfortable expansiveness of Bliss's later music is not the only factor to pose a question mark about the use in this context of the word "revolutionary:" the works themselves, full of gallic spryness warmed by English good humour, still such fun to hear, are hardly well covered by an epithet that still seems appropriate to the Stravinsky and Varese works of the same period. This is not a criticism, only an attempt at perspective.

The concert also brought forward two festival commissions, one by Malcolm Williamson. An affectionate salute to his predecessor as Master of the Queen's Musick, this Trio for violin, cello and piano takes its inspiration from a phrase of Bliss's Music for Strings; generally elegiac and pensive in mood, the music works a surprising amount of strength and purpose out of some at first sund uningratiating chords and textures. There is a deftly bony syncopated waltz as middle *movement, expressly* intended to reflect Bliss's similarly unstuffy composing *brio*.

Qute different in mood and style was the other first performance, written for and dedicated to Miss Manning by her husband, Anthony Payne—*The World's Winter*. Inspired by the fertile contradictions of image and feeling in Tennyson's "Nothing will die" and "All things must die," this vividly written small-orchestral song-setting is imbued with that astringent, finely sensitive lyricism that recent works by this composer have persuaded the listener is one of his most interesting qualities. Musical images abound, in the instrumental parts and in the vocal line, for natural growth and decay—obvious as such while at the same time persuasive of their utterly fresh originality.

mpstead Theatre

Sparrowfall by MICHAEL COVENEY

agine that old BBC TV soap series *Compact* rudely over- by a Raymond Chandler , and you will be approach- n idea of what this entertain- piece of Alan Drury is all t. The new British theatre et some vague precedents his stylistic exercise with d Hare's *Knuckle* and Hare Brenton's *Brassneck*—the with its re-working of class are in thriller parody form, second in its response to a sensationalisation of the son affair. On Monday we an admirably controlled ense about emotional and less intrigue among the new l of public-school City lions well as a tongue-in-cheek on of how the backstage t have operated during the , still-unpenetrated truth he Lucan and Stonehouse 's.

ese random elements are bly contained in John Chap- s elegant, incisive pro- on that moves with cine- fluidity from one personal anter to the other. In his playwrighting career to Mr. Drury has settled for oping his themes through r monologue of one-to-one que. The method is con- d, but to a new degree of etence. At curtain-up, the story so far is that Peter Lord has been ousted from bed and *office by a combination of scan-* dals that reverberate through a closely-knit group of individuals: Sarah his wife (Katherine Faby), Howard Needham his stronger business associate (Michael Kitchen), Giles Edwards the office fall-guy (Jeremy Blake) and Cathy, Needham's secretary and everyone else's *femme fatale* (Suzanne Bertish). Into this labyrinthine, Lambert and Butler world, wades the confident, slimy in-depth reporter of a quality Sunday, Simon Wilson (Mark Wing-Davey).

A reading of the script had prepared me for the freshness of dramatic invention but not for the sure feel with which Mr. Chapman, abetted by some excellent, atmospheric soft rock music by Brian Eno (formerly of Roxy Music), elaborates the text. Tanya McCallin's design is an open plan array of sleeky grey functional furniture, and Lindy Hemming's costumes achieve a marvellous pictorial shift from stone pin-stripes to khaki casuals. The sharp intelligent playing of a gifted cast gives good comic emphasis to such amusing, self-consciously parodistic statements as "All this time you could screw me but you couldn't trust me" and, in a more overtly misogynous vein, "All that physical unpleasantness and incapable of connected thought as well." The first remark is addressed by Cathy to Needham; the second by Edwards to Cathy.

The spring to the play is provided by Lord's determination to return from a hideaway on a disused Essex airfield, to the life he formerly led. He triggers a series of complex, inter-related reactions, none finer than that which results in the journalist facing Needham with his fully researched story only to be confronted with the threat of a D-Notice and the offer of a job in the company. Michael Kitchen, returning to his very best stage form, manages the scene with spine-chilling oiliness. As the disenfranchised Lord, John Price turns in a first-rate account of a man on the run taking mischievous delight in his unscheduled revenge plan. And Mark Wing-Davey's journalist, meted rough and bloody justice in a final shoot-out on the Tarmac, is inimitably and appropriately slick.

How good it is to see a fine, intelligent cast playing with a real sense of ensemble style. The evening crackles with wit, challenges with satirical purpose. One of the best things, in short, that Hampstead has given us for months.

ing Vic

Emigrés by JEREMY KINGSTON

eak an illusion, break a —that would seem the wise et we are left to consider e end of Slawomir Mrozek's t play. Mrozek is himself an re who left Poland in the and settled finally in . But while the two rooms s in his play are certainly absentees from some un- fied Totalitaria, the liar stresses of that kind of life are not presented by with any striking particu- . What the play soon mes is that frankly familiar tion of two men languishing bleak *mise-en-scène* (here a ment) alternately killing and illustrating their inter- ndence.

hn Halle has set the action n the metal framework of ted cube, from the top of h hangs down a bare light like the tassel in a Bacon ting. The two men metaically imprisoned therein the usual two men—the ly physical and the fevered lectual, one cadging for and bent on recollecting e, the other eager to discuss social problems of the world going off in dudgeons.

Kevin Billington's pro- ion Brian Cox and Jim on give these characters— tified in the programme ly as XX and AA—a credi- sense of reality. Cox's twitted city peasant is *ically the more interesting* character, because finally the more unusual, when exposed as a miser. But Norton's troubled intellectual is credible enough for him to take in his stride that old cliché cry of lost intellectuals: "There's a book I've got to write!" Nonetheless, while we are shown the cheering and depressing effect the pair have upon one another their relationship remains the sort that flourishes more in the minds of dramatists than in the real world of fevered intellectuals and swinish cadgers.

A striking image identifies the two men as foreign bodies within the country they have come to, and then as germs in the apartment house whose bowels they inhabit, overhearing every noise from the other residents. But having introduced this promising notion, Mrozek lets it go.

An attentive audience warmed to the play more than I did, which reminds me to warn would-be patrons that by the end of the evening the interior of the Young Vic feels as though you could steam a pudding in it.

Sadler's Wells Theatre

Dance Senegal by CLEMENT CRISP

"It is not easy to convey to local performers," says the programme note for the Senegalese National Dance Troupe, "that a theatre stagehas its own special requirements." But, hurrah, Maurice Senghor—who directs the company—has managed to do this. This result, as I saw on Monday, is a group which manages to preserve authenticity without becoming so determinedly folkloric that we fall into catatonic trances of boredom; and is theatrical without being as wildly improbable as a number of the Folies-Bergère. A word of warning, though, about the drums: these are insistent, loud, *and numerous*. But if you can accept the decibels—and they are *no worse than the mindless* racket of a discothèque—the evening has real rewards.

There is an infinity of shimmying from topless ladies with fringed *derrières*, which would put Sister Kate to shame; there is an animated hay-stack, which looks like *The Magic Round about's* Dougal caught in a spin-dryer; there are contortionists, leaping warriors, the delicious sound of the Cora (a gourd harp), and a good deal of ecstatic threshing about as the drums urge the dancers on. There is also *Diankey Wili*, a highly moral and Senegalese version of *Giselle* in which Albrecht *goes mad but is finally united* with Giselle, who has very properly opted for a rich *parti* rather than a simple fisherman. In this you can see a young woman of the most exquisite and grave beauty as the heroine, and the stunning appearance of the local gods — 12-feet high feathered apparitions on stilts — who are attended by witch doctors marvellously caparisoned. This small ballet suggests just what richness and potential for dance drama there lies in the folk-lore of Africa: it is an interesting omen for the future.

Television

Mid-summer mixture by CHRIS DUNKLEY

Attention all readers locked in windowless air-conditioned rooms: it is summer. You can tell by switching on your television sets. The BBC have Test cricket, Wimbledon and—in nine days' time—the Olympic Games. Never in the history of television has so much sports coverage been provided for so many viewers by one broadcasting organisation. At least, that is the BBC's hope and I have no doubt that it will be fulfilled.

ITV having parleyed and argued with the BBC for years (or in this particular case well over a year at any rate) about alternating or in some other way sharing coverage of the Montreal Olympics, and having had very little joy, have decided to put the best possible face on things by turning necessity into a virtue and have pulled together what htey call The ITV Summer Festival. This they have launched with worthy pronouncements about offering the public a genuine alternative. They have launched it a couple of weeks ahead of the opening of the BBC's Olympic coverage in the hope (quite forlorn, I would imagine) of hooking us all so firmly on "new" series and serials that we shall be quite unable to tear ourselves away in order to watch Dave and Harry and Rone and Alan and all the boys and girls Going For Gold in Canada.

If not the best quality television schedule in the world, this effort by ITV is, at least, making an improvement on the usual dreadful mid-summer mixture. Instead of third-rate repeats and third-rate old movies we are being offered second-rate repeats and second-rate old movies, and even — occasionally — genuinely new productions such as *Killers*, *Shadow Line* (which was Very Andrzej Wajda — Very Conrad) mixed with the usual quantities of American imports, some of them, such as *Eleanor and Franklin* being of an acceptable quality. Of these, more in a later column. First—tennis.

Wimbledon has become one of the biggest of the annual television extravaganzas. Once it was simply the world's most important tennis tournament, but now it is the Eurovision Song Contest on grass; it is Miss World with tennis balls: it is a 12-day Cup Final. In *Wimbledon 1976*, the BBC's generic title for all its programmes on the tournament, we saw telly's dreams of nirvana; *It's A Knockout* played by professionals, lasting a full fortnight, with Dan Maskell standing in for Stuart Hall and Jack Kramer in the role of Eddie Waring.

Being neither a tennis buff nor even a tennis player (like most viewers, I suspect) I do not know whether this change in Wimbledon is supposed to have for it. I do know that even in the relatively few years that I watched on television there have been big changes.

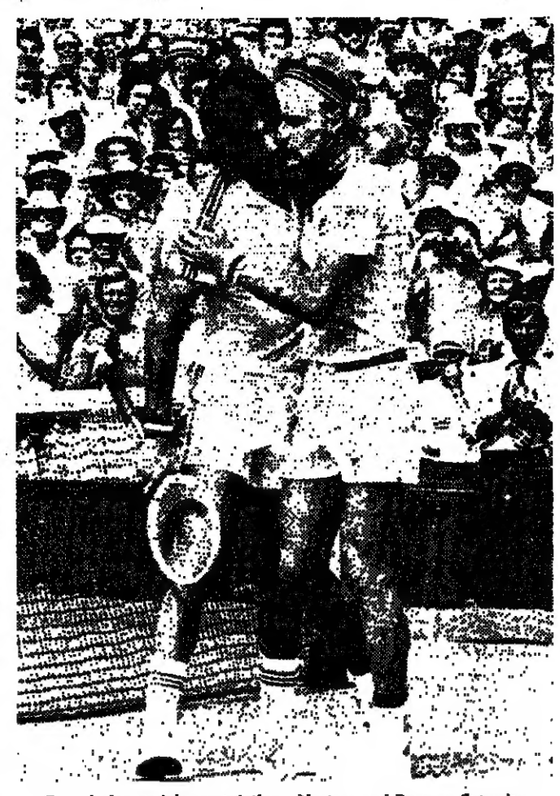
That it is, unquestionably, in the Miss World category now was proved by the fact that coverage of the tournament was prefaced by a programme presented by David Vine without whom no teleganza is considered quite complete these days. Of course this programme told us nothing really useful—nothing about how seeding works, what the rules of the tie-break are, what instructions umpires are given about over-ruling line judges on bad calls, the sort of information that hundreds of thousands of armchair fans would dearly welcome in preparation for the only tennis they ever watch — but he was *there*, chatting inconsequentially in sub-Whicker tones to some of the competitors, and that (in the BBC's view, it seems) was the important thing.

Technically speaking the tournament was as proficiently televised as ever, even if Slim Wilkinson and his team still do not have the wherewithal to cover matches on the outside courts when they turn out to be important. This year they introduced a low-level camera behind the base line at end of the Centre Court with which they fed us (if only a morsel at a time) with terrifying shots of fast services. It was reminiscent of the arrows that used to hiss over your hair —or so it seemed—in the cinema in the days of those red and green 3-D glasses.

Dan Maskell was as valuable as ever with his affectionate enthusiasm and his occasional vivid turn of phrase: he said of Warwick that he held his racket "angled as though he was going to slice cheese with it," and of Chris Evert "she's really making the gut sing in her racket to-day." He managed to put countless different implications into his favourite phrase — "Oh well played!" — simply by modifying his expression: it varied from an exclamation of sheer admiration to one of warning for a supposedly superior opponent.

Once Virginia Wade fell and Maskell let forth an involuntary "Oo-er." She got up and he remarked "All is well," adding in an afterthought which said everything "Physically."

In almost absurd contrast Jack Kramer spent the fortnight producing a series of phrases which varied from the ludicrous but decipherable ("My goodness Dan she threw three blisters in there eh?" and "Virginia just wants to do so well so badly") to the incomprehensible ("He'll make some errors off of things that haven't got too much on 'em") all of them delivered in nearly opaque American accent and phraseology ("A real example Don dontcha jest love the way when Miss Baker returns a short one Miss Bueno jest takes her racket back and blocks it a liddle deeper?")



Consolation and congratulation—Nastase and Borg on Saturday

I am all for the brotherhood of man and destroying artificial frontiers between people, but I am also all for those who work in the mass communications media actually communicating. Why a British audience has to be subjected to this sort of nonsense, goodness — and perhaps the BBC — knows.

In terms of the BBC's coverage Wimbledon has not changed very much. The significant way in which it *has* changed as a television event is in the atmosphere that permeates the entire tournament. This used to be a charming, vivacious, happy, attractive fortnight of sport from which you expected a mixture of eccentricity, upsets, unpredictable genius and equally unforseeable patches of dullness, all taking place in fairly high and happy spirits.

Now the prevailing impression is of a lot of dour, glum, serious people, hard at work earning the extraordinary sums of money to which they have become accustomed, and very worried indeed lest their earnings should be down by a fraction—just a few hundred thousand dollars—at the end of the year.

In this respect the women are even worse than the men, our very own Virginia Wade offering a prime example of the grumpy, shoulder-sagging, glowering manner in which so many of the matches were played this year. *Only Greer Stevens in the* mixed doubles and Ilie Nastase in some parts of some of the early rounds of the men's singles gave the impression that they would have been happy to have been at Wimbledon and playing tennis whether or not there was prize money involved.

There are two changes that could be made to the tournament next year which might bring some of the verve and gaiety back to the occasion and make it once again worthwhile for all those housewives and shift workers to draw the curtains for Wimbledon fortnight and stay indoors in front of the box instead of wan*dering off to the swimming pool*, and also make it attractive once more for the rest of the viewing public to watch *Match Of The Day* on BBC2 in the evening: an amateur section of the tournament could be opened, and the professional ladies could be taken at their word and given the equality of treatment which their leaders have so sedulously pursued.

Most amateur boxing is very much more interesting to watch than most professional boxing nowadays and there seems no reason to suppose that tennis would be any different—amateurs might very well bring some fun back *into the proceedings*.

And in the professional circus few pleasures would be so sweet as that of watching one of the more irritable and surly ladies (Martina Navratilova, say) taking serve from one of the of the stronger men (Roscoe Tanner, say) once the ladies have been given their equality and instead of men's and ladies singles we simply have singles.

The Entertainment Guide is on Page 26

St. Bartholomew-the-Great

New English Singers

by RONALD CRICHTON

The memorable things in the Festival of the City of London have often proved to be, not the big do's in St. Paul's and elsewhere but smaller, more *intimate occasions*, equally remote from ordinary London concert fare but with programme, performance and venue more originally matched. Such, during the last Festival, were the concerts in St. Bartholmew including an incandescent Bruckner E minor Mass under Barenboim and the first performance (with Julian Bream as soloist) of Berkeley's Guitar Concerto.

Monday's early evening choral recital in that lovely church did not aspire to such heights. There was a single ticket price—50p. To hear fine works by Andrea Gabrieli, Domenico Scarlatti and Vaughan Williams for that sum is good value, and not only by to-day's inflated standards. All the same, this Festival is not exactly the kind of little local affair where one can bei ndulgent about levels of performance and this concert was not up to much.

The conductor of the New English Singers is Andrew Morris, Organist and Director of Music to this church. The material is willing and enthusiastic but uneven, with some voices which don't blend in a small choir specialising in music often sub-divided. They are also careless about clean intonation. Mr. Morris conducted in a fiddly, *peppery sort of way, as if a cappella* music would be intolerable to a modern audience without overheated little climaxes and a deal of egregious "expression." There were signs, as well, that with patience and insistence on good blend and tuning the results could be much better, but that only added to the sense of disappointment.

In the Gabrieli Magnificat (there were no instruments) serenity and grandeur were less in evidence than a hectic quality presumably intended for Venetian sensuousness. Scarlatti's fascinating Stabat Mater suffered in the same way. intonation grew worse—it was regrettably unsure in the G minor Mass of Vaughan Williams, a masterly fusion of his personal style with what he loved and learned from the English past (Falla did something similar in the choruses in *Atlántida*). There are three more Festival concerts in this church—the English Chamber Orchestra on July 8, the Monteverdi Choir and Orchestra on July 9, and Henze's version of Carissimi's *Jephtha* on July 14.

Bishopsgate Hall

Gabrieli Quartet

by PAUL GRIFFITHS

Nine years after their first recital, which took place in the Bishopsgate Hall, the Gabrieli Quartet returned again to open a series of lunchtime string quartet recitals which will continue throughout this week. Given under the joint auspices of the City Music Society and the City of London Festival, the recitals are given by five different ensembles, though the programmes are uniformally conventional. Nobody should complain at that, however, if the playing keeps to the standard set on Monday by the Gabrieli.

The weather, of course, was no help to them, and they declined to remove their jackets, even at the shouted suggestion of a cheery member of the audience. But if the heat and humidity were responsible for a few blemishes on the ensemble's clean sound surface, they more than made up for that with playing of muscular life and alert rhythm. Kenneth Sillito, the first violin, constantly kept his line under a slight tension, so that nothing was allowed to fall impotent. His colleagues, though somewhat softer spoken, were there to provide tightly projected answers and counterpoints, and when the four banded themselves together for a movement of rhythmic vigour, such as the finale to Beethoven's op. 59 No. 2, they could perform with thrust.

Unanimity in the longer term was one of the specially pleasing features of the Gabrieli's playing. *Points of formal articulation* were subtly marked with a general feeling of relief, questioning, expectation or whatever, and so the patterns of the works, Haydn's Op. 50 No. 6 as well as the Beethoven, emerged with clarity. Nor were the details passed over: such things as the astonishing angularities of two-part writing in Haydn's last movement, or the combination of two violins and viola as a single instrument in Beethoven's first were realised with freshness and exactitude. It was a recital to show that expressive chamber playing is not dependent on a heavy cloud of *espressivo*.

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1019	3005	5424	8431	11532	14509	17415	20343	23293	25816	27830	29632	31442	33485	35442	37332	39350
1035	3025	5440	8435	11581	14518	17427	20372	23312	25827	27850	29636	31451	33492	35467	37366	39361
1049	3040	5451	8447	11585	14555	17432	20386	23315	25874	27851	29648	31463	33518	35478	37380	39386
1001	3089	5465	8480	11614	14573	17476	20437	23357	25887	27876	29663	31481	33519	35504	37385	39425
1097	3105	5487	8484	11635	14591	17506	20465	23361	25896	27886	29709	31498	33530	35538	37417	39423
1113	3120	5536	8496	11671	14631	17507	20535	23408	25906	27914	29731	31510	33580	35542	37443	39443
1146	3143	5538	8530	11700	14655	17531	20542	23437	25951	27922	29734	31512	33594	35560	37462	39448
1166	3155	5549	8551	11705	14674	17587	20551	23498	25973	27936	29750	31532	33672	35571	37473	39450
1173	3187	5564	8580	11716	14738	17607	20555	23511	25984	27954	29781	31543	33589	35575	37477	39469
1192	3179	5613	8586	11733	14734	17608	20573	23513	25992	27976	29782	31568	33609	35588	37482	39491
1211	3185	5661	8582	11744	14758	17622	20583	23578	26026	27981	29806	31500	33618	35600	37521	39503
1214	3197	5684	8625	11808	14771	17648	20604	23583	26044	27983	29814	31597	33627	35634	37556	39508
1247	3206	5691	8645	11844	14820	17662	20611	23600	26046	29029	29826	31608	33636	35635	37560	39526
1289	3207	5704	8687	11876	14837	17704	20623	23670	26081	28030	29828	31613	33682	35649	37568	39537
1291	3212	5707	8735	11889	14828	17733	20626	23672	26082	28054	29841	31618	33689	35651	37603	39585
1302	3215	5716	8758	11953	14846	17747	20629	23682	26137	28062	29868	31659	33705	35662	37624	39606
1296	3226	5737	8791	11985	14900	17759	20640	23713	26148	28067	29873	31699	33732	35706	37647	39633
1328	3290	5787	8832	11986	14939	17762	20654	23728	26154	28077	29907	31717	33745	35708	37663	39649
1339	3291	5792	8838	12011	14945	17780	20680	23741	26163	28078	29910	31725	33774	35738	37673	39654
1351	3301	5804	8861	12026	14999	17825	20681	23827	26180	28089	29925	31742	33783	35741	37680	39656
1356	3313	5837	8883	12060	15023	17853	20730	23832	26202	28121	29948	31757	33788	35754	37698	39671
1385	3331	5915	8899	12088	15032	17859	20748	23877	26206	28122	29962	31764	33795	35760	37757	39698
1407	3344	5953	8924	12105	15047	17918	20793	23887	26208	28143	29965	31818	33816	35797	37762	39711
1408	3372	5963	8953	12137	15092	17932	20804	23919	26213	28143	29975	31840	33817	35809	37765	39716
1436	3376	6012	8982	12169	15111	17944	20817	23923	26228	28168	29978	31855	33820	35814	37772	39737
1454	3389	6033	8984	12201	15125	17971	20890	23936	26240	28192	29990	31881	33860	35834	37784	39738
1461	3400	6034	9021	12203	15136	18011	20892	23944	26242	28193	30017	31891	33873	35858	37845	39739
1462	3404	6118	9035	12236	15156	18026	20913	23950	26257	28195	30030	31922	33901	35881	37849	39758
1488	3421	6128	9092	12281	15180	18037	20940	23984	26276	28205	30053	31931	33908	35892	37852	39787
1502	3436	6155	9094	12295	15217	18071	20948	24025	26328	28227	30063	31974	33910	35895	37854	39810
1512	3451	6207	9136	12335	15238	18126	21012	24036	26332	28245	30080	31986	33921	35901	37858	39826
1527	3474	6229	9176	12336	15291	18136	21057	24063	26363	28268	30081	31993	33925	35922	37938	39835
1540	3503	6271	9214	12347	15296	18180	21095	24093	26372	28286	30115	31994	33930	35934	37939	39840
1588	3533	6274	9221	12384	15325	18194	21146	24131	26398	28290	30121	32030	33983

KENYATTA CONFERENCE CENTRE REVOLVING TOWER RESTAURANT

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DIRECTOR
KENYATTA CONFERENCE CENTRE
NAIROBI, KENYA

WORLD TRADE NEWS

Hong Kong contracts shock Japan

BY CHARLES SMITH

TOKYO, July 6.

JAPAN'S electrical engineering industry appeared to be in a state of shock to-day after hearing the news that it failed to win a single one of the nine major contracts for the Hong Kong Mass Transit project, whose award was announced on Monday.

The Japanese competed for all nine of the contracts and three major companies, Hitachi, Mitsubishi Electric, and Toshiba formed a consortium (known as the HMT consort) to carry out the project.

A spokesman for Mitsubishi Electric suggested to-day that "economic diplomacy" by the British government had helped to secure six out fo the nine contracts for British companies. This allegation was categorically rejected by the chairman of the Mass Transit Corporation, Mr. Norman Thompson, but the Japanese remain puzzled and suspicious about the reasons for their failure.

Japanese sources claim that the HMT bids were superior to those of both Britain and other European competitors on price and technology. On financing terms the Japanese claim to have matched the British offer, although it is admitted that this may have involved undercutting minimum and interest rate and repayment margins specified by the OECD.

The only other factor in the equation, according to the Japanese, would seem to have been the U.K's. ability to "lean" on the Hong Kong Government. This is presumed to have happened, although sources both in the HMT consortium and outside it hasten to deny that they have hard evidence of political intervention. What the Japanese do say is that they were "taken by surprise" by the way the contract was awarded and had behaved during the bidding as they "expected other countries to behave."

Japan's failure in the current rounds of bids is the last chapter in a rather unhappy story of association with the Hong Kong project. A consortium lead by Mitsubishi Corporation was picked by the Hong Kong government early in 1974 to carry out the entire mass transit scheme within a ceiling price of $HK5bn. but was later obliged to withdraw. Talks on compensation between Mitsubishi and the Hong Kong government revealed a wide gap and ended without a satisfactory settlement.

The Japanese made a comeback in 1975 when some of the construction companies which had belonged to the original Mitsubishi Corporation tendered successfully for parts of the civil engineering work. The civil engineering work constitutes 80 per cent. of the total value of the mass transit scheme with only the remaining 20 per cent. accounted for by this week's contracts. Japan, however, would have stood to gain some Y120bn. (£210m.) worth of business if it had been successful.

A marginal factor in the Hong Kong decision not to give any of the engineering contracts to Japan may have been the fact that the Japanese bids were denominated in yen—a currency which could well appreciate in value during the 12 years (from 1980 to 1992) during which loans for the project will be paid off. Mr. Thompson said to-day, however, that this was not the main consideration so far as the Mass Transit Corporation was concerned. The Japanese offer, he said, was a "very good one," but others were felt to be better.

The Hong Kong projects has been given a high priority by the Japanese because they expect it to be the first of a series of mass transit schemes to be undertaken in various Asian cities. Singapore and Manila are both planning similar projects and a subway scheme is under consideration for Caracas. Another point that obviously unsets the Japanese is that the outcome of the Hong Kong bidding seems to be part of a run of failures experienced by Japan international bidding since early this year. Other contracts which the Japanese tried hard for but did not get included a $450m. Polish fertiliser complex and a Brazilian hydroelecric project (worth an estimated ($1bn.).

Kraftwerk Union signs DM7bn. Ira nuclear power de

BY GUY HAWTIN

KRAFTWERK UNION, West Germany's leading power station constructor, has signed its controversial agrement with Iran to build the country's first two nuclear power stations. While no official figure has been announced the deal is thought to be worth between DM7bn. and DM8bn. (£1.52bn.) and £1.73bn.).

The turn-key contract for the two 1,200 Megawatt power stations is due to be completed between 1980 and 1981. Under the deal, it is understood that Kraftwerk Union (KWU) will also provide 10 year's supply of nuclear fuel that could be worth a further DM3bn. (£650m.).

KWU, which declines to discuss the value of the deal, is the first western concern to conclude such a contract with the Iranian Atomic energy organisation. The Iranians plan to install some 23,000 Megawatts of nuclear generating capacity by 1994 in order to replace oil with nuclear power as the prime source of domestic energy.

The pressure water power plants will be constructed near the port of Bushire and included in the contract is the construction of a "small city" to house and provide for the 3,800 workers involved in the project. This will be provided by a c led by the Essen-hase Hochtief, which will homes, offices, factorie tal, a school and a desalination plant.

Iran's atomic power worth a potential £ nuclear power plant e from a number of cour been negotiation Iranian for contracts. there has been contro safeguards to prevent facture of nuclear arm

France, which has si totoi over nuclear p Iran, is still negotiatin tracts covering the cr of two 900 Megawatt pl with the United Stat supply of eight have r impasse on the qu nuclear fuel safegua U.S. is concerned wit ing fuel supplies bein nuclear weapons whic to cut across Iran's guaranteed sources of

The West German leaves the question o processing open. F supply the fuel for th loadings and the matte cycle technologies" remain a matter fr negotiations.

Freight rates hit by Ro-Ro growth

BY JOHN WYLES, SHIPPING CORRESPONDENT

THE introduction this year of many new roll-on roll-off shipping services from Europe to the Middle East has caused a sharp fall in freight rates, according to the chairman of a leading Swedish shipping company.

Mr. Andrew Olszowski, chairman of Tor Line, told a London conference yesterday that there was already "over-tonnaging" by roll on—roll off operators running services to the Middle East, particularly to Saudi Arabia. The effect had been to cut basic freight rates by about 30 per cent. over the last three months.

As Mr. Olszowski pointed out to the conference, Ro-Ro '76, the new services have been seen as a way ob beating port congestion in the Middle East. But the arrival of one or two new operators a month on the secene has had a depressive effect on rates which is starting to worry established operators who have recently seen values fall from £3,250 for a standard-sized container to £2,250.

Mr. Olszowski questioned whether the "newcomers" had really done their homework: in particular he wondered whether they were able to provide the organisation necessary to ensure the transportation of cargoes from the quayside. Roll on—roll off he said, must be seen as a "far reaching door-to-door operation."

Mr. Olszowski said the vast potential of such ships had resulted in ned orders which will increase the world fleet by 48 per cent. within the next two or three years.

While much of this growth has been stimulated by the "staggering demand" for roll on—roll off tonnage caused by OPEC countries import programmes, he suggested that owners should now start to look at the potential offered in the Pacific trades and in trades to Brazil and India.

Leather makers criticise exhibition

By James Buxton

A SPECIAL London exhibition which aims to help developing countries market their products in Britain has run into criticism from a group representing British leather manufacturers, which claims that its interests are being threatened.

The exhibition, Expo-Impo, to be staged at St. Katherines Dock, London, in October, has attracted 39 exhibiting countries from the developing world. Its aim is to help the countries find markets for goods other than their traditional export commodities, and at the same time acquire expertise in marketing and presentation of goods.

More than three-quarters of the cost of the exhibition, estimated at about £150,000, is coming from an EEC Commission grant. The Ministry of Overseas Development is also contributing and the exhibition is being organised by the Import Opportunities Office for Developing Countries, which is based at the London Chamber of Commerce.

The purpose of the exhibition and the accompanying seminars is to encourage the sale of leather goods, horticultural products, handicrafts, furniture, etc. The cost of transporting exhibits to London and accommodation for two representatives from each country will be paid for.

At a Press conference yesterday Mr. J. H. Keene, of the British Leather Gods Manufacturers Asociation, claimed that exhibition would help foreign leather exporters, already enjoying cheap raw materials, to obtain a deeper penetration of the British market than they already had. More effort was going into encouraging imports into Britain than exports, he said.

But the organisers of the exhibition stressed that the British leather makers had a market in other developed countries which the developing world was not aiming at. It was also stressed that the exhibition was in the context of the industrialised countries' foreign aid effort.

Fourteen members of the ACP (African, Caribbean and Pacific) group of countries, including Jamaica and Nigeria, are coming to the exhibition, while in the non-ACP countries the exhibitors range from India to Costa Rica. It was stressed that overall Britain had a very favourable trade balance with the exhibiting countries in both groups.

Boeing beats Airbus to Singapore order

BY MICHAEL DONNE

THE BATTLE between Boeing of the U.S. and Airbus Industrie of France for the important Singapore Airlines order for medium-haul regional airliners in South East Asia has been won by Boeing. SIA has placed an order for three Boeing 727 aircraft, worth $44m., with an option on an additional six aircraft.

The new jets, for delivery in the last three months of 1977, will be used on SIA's services to Jakarta, Bangkok, Hong Kong, Taipei, Seoul, Manila, Colombo and Madras.

For the last three years, SIA has been studying new aircraft for its regional services and medium-haul routes. The choice quickly narrowed either to the Boeing 727 or the European A-300 Airbus.

SIA chose the Boeing 727 mainly because its capacity of 140 seats is more appropriate to the airline's route pattern than the 232-seat Airbus. The airline is also currently using a fleet of Boeing 747 Jumbo jets on its long-haul routes. Existing Boeing 707 and 737 aircraft on regional routes eventually will either be converted to freight use or sold.

● Air Afrique, the international airline consortium of West Africa, has ordered a third DC-10 tri-jet from McDonnell Douglas of the U.S., for delivery in the spring of 1979. Other recent DC-10 orders include two for British Caledonia and an eighth for Zealand.

● Scandinavian Airlin has ordered two mo nell Douglas DC-9 jet total value of about medium-range twin-je delivered in Nover December of 1977 in a first and economy cl arrangement for 108

At the same time, options on five additi three for 1978 and tw SAS will decide at a whether one of the fiv may be converted to for a palletized jet model.

SAS currently opera of 52 DC-9s on dom European routes. Two DC-9s are scheduled f this year, one later t and another in Nove

ABU DHABI TO INDIA

ABU DHABI

AN agreement has b between the Abu Dha Arab Economic Devel India for a loan of £9 will be used to financ struction of a 108 station on the River G accord was signed to deputy chairman of Sheikh Surour bin Mo the under-secretary of Finance, Mr. J. Kaul.

Pakistan import free list enlarged

By Iqbal Mirza

KARACHI, July 6.

THE Pakistan Federal government has announced the import policy for 1976-77 with the free list increased from 389 to 467 items. The policy which not only maintains but further accelerates the liberal pattern of imports introduced in 1972 makes ample provision for import of tractors, fertilizers and pesticides to boost agricultural production. Import additions made in the free list will make easier the import of machinery, capital goods and essential raw materials. Certain essential consumer goods of which there is acute shortage and which are being smuggled into the country have been placed on free list for the convenience of consumers and to mitigate the evils of smuggling. These are sanitary ware and enamelled bath tubs, electric bulbs and tubes, earthen china or porcelain table ware, aluminium and enamelled iron wash basins and sinks, nickel cadmium cells, dry battery cells, air-conditioners of all sizes, refrrigerators and deep freezers of all sizes, razor sets and blades and tape recorders and tassette players.

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هكذا من الأصل

AMERICAN NEWS

Jamaican security forces free detainees

By Canute James

KINGSTON, July 6

IE JAMAICAN security forces ve released several persons o were detained under the ently declared state of emerncy. But there are now 51 perns being interrogated by the rces at army headquarters in ngston.

During the first 15 days of the te of emergency, the number detainees at one stage reached while the security forces have ld several hundred other perns for questioning in connecn with offences ranging from ssession of drugs to possession home-made shotguns.

The Security Ministry has oted figures showing that the ergency has already been sucsful in one of its objectives — reduction of the crime rate half.

The Prime Minister, Mr. chael Manley, told a Press nference that several terrorists, ive in one part of Kingston ce early January, had also en arrested by security forces.

Following last week's revelans by the Prime Minister that re was a plot to overthrow Government and that two ding members of the Opposin Jamaica Labour Party were volved, the JLP has stopped ticising the Government, cusing it of using the ergency to silence the position.

However, the JLP is taking al action and writs of *beas corpus* have been filed the Supreme Court on behalf 13 party members who have en detained.

Security forces are reported have recovered several types firearms—mostly home-made otguns which make up a large rt of the 8,000 illegally held ns thought to be in the island. Explosives—including Molotov cktails—have also been found security forces in different rts of the island.

In the Kingston urban area ere has been a marked change mood over the past two weeks. e falling crime rate and indiions that security forces have d a degree of success with eir continuing recovery of firems and explosives has restored me calm in the area.

White House prepares a Royal show

WASHINGTON, July 6.

ADY Bird Johnson, Alice osevelt Longworth and several lebrities from Hollywood and e sports world have been inted to attend the White House ate dinner in honour of Queen izabeth and Prince Philip to-orrow night, it was announced day.

Sheila Rabb Weidenfeld, the rst Lady's Press Secretary, said ner celebrities on the guest t are Alistair Cooke, actresses lie Harris and Helen Hayes d Merle Oberon, actor Cary ant, conductor Eugene mandy, Olympic skating star rothy Hamill, baseball player lie Mays, New York designer l Blass and television's ojak"—Telly Savalas.

Two members of the Ford mily, 23-year-old Jack and san, who is 19 years old to-day, o will attend the dinner.

The white tie dinner will be ld under a tent in the Rose rden. The Royal couple and Fords will sit at a head table d there will be 24 round tables. aptain and Tenille," a rock up, will join comedian Bob pe in an after-dinner perfrmre in the East Room.

Volkswagen 'to be asked to cut U.S. car prices'

BY STEWART FLEMING

NEW YORK, July 6

VOLKSWAGEN of America is one of four or five car importers expected later this week to receive letters from the U.S. Treasury asking them to adjust their prices following the Department's anti-dumping investigation.

A Treasury official confirmed that letters are being prepared but they have not yet been sent out. He could not comment on the contents of the letters.

In May the Treasury shelved its formal investigation of alleged dumping of foreign cars on the U.S. market but made it clear that it intended to ask a number of companies to adjust their prices and eliminate the "dumping margin." In essence dumping involves selling goods in an export market at a lower price than in the domestic market where they are produced.

The U.S. Treasury's decision to discontinue its formal investigations of foreign importers was prompted by fears that if pursued it would seriously damage the business of a number of companies. Since the inquiry had apparently found evidence of significant dumping margins the decision to discontinue was recognised as being prompted by special factors outside the normal procedures of anti-dumping inquiries.

It is understood that the companies receiving the letters from the Treasury will b asked either to raise their U.S. prices or reduce their domestic prices to eliminate the dumping margin. Provided they agree, the case against them will be dropped, although their prices iwll be monitored for two years.

Volkswagen could be particularly hard hit by further price increases, since the company claims already to be running into price resistance on its U.S. Rabbit model (the car known as the Golf in Europe).

Already this year the company's sales in the U.S. are about 43 per cent. down, reflecting in part its prices which are higher than for several comparable sub-compact cars, but also the U.S. consumers' trend towards buying larger cars again.

In a good month, Volkswagen claims to be selling about 10,000 Rabbits and up to 2,000 Beetles, compared with sales of up to 20,000 Beetles at their peak a few years ago.

Since introducing its 1976 model Rabbit the company has not increased its price. It has, however, announced a decision to make a major investment in U.S. motor capacity to allow it to produce up to 200,000 Rabbits a year, which will protect the company from exchange rate movements and, it is hoped, make its products more competitive in cost.

The names of the other companies who will be receiving the letters from the Treasury have not been released.

Reuter adds: Volkswagen of America said its parent company has delayed signing an agreement to set up its first U.S. assembly plant in New Stanton, Pennsylvania, because one detail of th elong-term financing required is unresolved. No details of the unresolved financial matter were disclosed, but Volkswagen said the signing delay is expected to last a few weeks.

Venezuela, Uruguay sever links

BY OUR OWN CORRESPONDENT

BUENOS AIRES, July 8.

TO-DAY only hours after Uruguay declared the two top diplomats in the Venezulan embassy in Montevido personae non gratae, Venezuela broke diplomatic relations with Uruguay.

In announcing the break, the Venezulan Government based its decision on "incidents which took place in the Venezuelan Embassy on June 28 which were a violation of . . . the norms of the right of asylum." This is a reference to the abduction of a woman from the embassy by three men who, according to Venezuelan Ambassador Julio Ramos, were "plain-clothes policemen." The Venezuelans maintained also that the men used violence against two embassy functionaries in Kidnapping the woman, who—although she has not been identified officially—is understood to be Maria Quinteros, a 31-year-old schoolteacher.

Late last week the dispute was taken over by the countries' Presidents. Venezuela's Carlos Andres Perez and Uruguay's Alberto Demichelli. President Perez demanded that the woman be returned to the Veenzuelan Embasy in Montevideo, whither she had just gone for asylum when she was abducted, and that the Uruguayan Government make the proper excluses. Otherwise, he said, Venezuela would break relations.

President Demichelli maintained his government's initial contention, which was that no members of Uruguay's combined forces—the services and the police—were involved in the kidnapping and that a thorough investigation had been ordered.

Then the entire diplomat corps in Montevideo issued a statement expressing their "profound preoccupation" for the security of the embassies in the Uruguayan capital. And on Saturday the corps met in the Papal nuciature in Montevideo and resolved to advise Uruguayan Foreign Minister Juan Carlos Blanco that they "deplored" the kidnapping of the woman.

Carter gets backing of 30 Democratic Governors

BY DAVID BELL

WASHINGTON, July 6.

MR. JIMMY CARTER, continuing his triumphal march towards the Democratic nomination, today received the enthusiastic endorsement of 30 Democratic state Governors meeting in Pennsylvania.

Governor Jerry Brown of California, the last major democrat to concede to Mr. Carter and still no admirer of the Georgian, was conspicuous by his absence. But Governor Mandel of Maryland, an erstwhile foe of Mr. Carter, took care to be the person who read the unanimous resolution praising him at the breakfast meeting.

Indeed, the whole affair was yet another example of the uncharacteristic sweetness and light that has settled over the Democratic Party, Mr. Mandel noted, in a fulsome tribute, that his old enemy has "captured the imagination of the American public and has demonstrated his ability to heal the divisions of the past."

Mr. Carter returned all the compliments at a join Press conference a which he also praised he Israeli intervention in Uganda and revealed that he has now had his first international affairs briefing from the Central Intelligence Agency. These briefings are to continue throughout the campaign at Mr. Carter's request because, he said last week, he wants to be fully aware of developments around the world lest he should inadvertently make a false statement on foreign policy while campaigning.

Meanwhile his search for a Vice-Presidential running mat continues. After five hours of talks with Senator Edmund Muskie of Maine yesterday, both men emerged exuding friendship and remarking how well qualified each other was for high office. But Mr. Carter stressed that his mind is not yet made up and it was announced to-day that he will meet Senator Walter Mondale, another on his list of possible candidates, at his Georgia peanut farm on Thursday.

All is quiet on the Republican side at the moment, with Mr. Reagan at his California ranch and President Ford preoccupied with bi-centennial festivities But Mr. Reagan is scheduled to give a half-hour nationwide television address to-night designed to give him a boost during the last critical weeks before the Republican convention.

Canada, EEC sign economic agreement

By Our Foreign Staff

CANADA and the EEC yesterday signed an agreement creating a contractual link between them which Ottawa has long wanted, in order to create a counterweight to Canada's heavy economic dependence upon the U.S.

The most important part of the agreement provides for the setting up of a joint cooperation committee to meet at least once a year and to review possibilities of economic and commercial cooperation. That includes possibilities such as the exchange of information about environmental matters and the identification of opportunities for the industries of Canada and Europe to cooperate.

The agreement explicitly envisages the possibility of joint ventures being undertaken in third countries. It also pledges the parties to look for openings for "increased and mutually beneficial investments." Behind the word "beneficial" there is hidden the Canadian policy, supported by legislation, to prevent direct foreign investment which is not deemed to be of benefit to Canada.

It is legislation which has upset industry in more than one Common Market country, though it is fair to add that its main purpose has been to prevent a further increase of U.S. control which already extends to something like two-thirds of Canadian manufacturing industry.

The U.S. plays an equally dominant role in Canadian foreign trade, despite efforts, not so far crowned with great success, to increase the market for Canadian manufactures in Europe. Last year the nine EEC countries bought Canadian exports worth $C4.1bn., equivalent to almost 13 per cent. of total Canadian exports. That compares with 65.2 per cent. sold to the U.S.

Pentagon plans new defence contracts policy

BY OUR OWN CORRESPONDENT

WASHINGTON, July 6.

THE PENTAGON is putting the finishing touches to a new system designed to reward defence contractors who invest in new plant and equipment and to bring more order into the $17bn. annual defence contracting industry.

The new scheme, which might avoid the current dispute between the Navy and major shipbuilders, is expected to be ready by October and it involves the rewriting of the formula currently used by the Defence Department to determine the relationship between profit, the contractors investments and the risks entailed. The present formula is heavily linked to costs and means that a contractor can under certain circumstances increase his profits by raising his costs.

Under the new scheme, contractors would also be allowed to include in their costs the attributable cost of land, buildings and machinery which they use specifically for defence work. At present they are not allowed to include the cost of capital for these purposes in the costs on which they base their contract prices.

The current formula allows a rate of return for contractors which averages out at around 9.6 per cent. with the costs accounting for as much as 65 per cent. of the basis for calculating profit. The proposed formula would balance the factor involved more equitably and would possibly mean as much as 2 per cent. increase in profits for shipbuilders and other contractors who have to invest heavily in new plant.

Apart from putting more stress on investment, the new contracting formula may also be designed to reward contractors who go all out for overseas military sales or those who chalk up significant increases in productivity. But all this and such difficult matters as how best to work the cost of capital into contracts have still to be finalised and they will no doubt be carefully scrutinised by Congress which fears that they might lead to an increase in the price of weapons systems.

Coldwell Banker contract

LOS ANGELES, July 6.

COLDWELL BANKER Management Corporation, a unit of Coldwell Banker, has reached agreement with a consortium of eight European leaders to serve as the group's U.S. representative.

Coldwell Banker's involvement enables the lenders to participate in an assets exchange programme in which loans made to Cousins Mortgage and Equity Investments, an Atlanta-based real estate investment trust, will be traded for certain of Cousins real estate holdings. Three U.S. partnerships and three Netherlands-Antilles corporations have been formed to serve as the ownership vehicles for the consortium.

Coldwell Banker selected the properties for acquisition by the consortium which were apartment complexes located in Atlanta, Denver and Houston with a book value of $11.2m. The eight European lenders involved in the Coldwell Banker contract are based in Austria, Britain, Italy, Luxembourg and Switzerland. AP-DJ

Rubber strike talks recessed

Negotiations on a basic economic package between the Firestone Tire and Rubber Company and the United Rubber Workers have been recessed, Firestone said in Akron, Ohio, yesterday, Reuter reports.

It said that despite the efforts of Labour Secretary William Usery and Federal Mediation director James Scearce, both sides were unable to reach a settlement.

The strike by the rubber workers against the big four tyre makers—Firestone Tire, Goodyear, Goodrich and Uniroyal—is over two months old.

Pipeline flaws

Presidential spokesman Ron Nessen has said that an audit performed for the Interior Department by Arthur Andersen and Co. indicates that "there could be" more welding flaws in the Alaskan pipeline than found in an earlier study by the consortium building the pipelines, AP-DJ reports from Washington. Mr. Nessen said that the President has asked Interior Secretary Kleppe and Transportation Secretary Coleman to brief him on the situation and has directed that a fact-finding team go to Alaska early next week.

Alberta Eastern Gas

Alberta Eastern Gas has said that it has signed a letter of intent with Oriole Oil and Gas, a privately-owned company based in Calgary, under which Alberta Eastern will acquire all of the outstanding shares of Oriole subject to normal closing conditions, AP-DJ reports from Calgary. Mr. Frank Vetsch, president of Alberta Eastern, declined comment on the terms of the agreement. He said that Oriole has three outstanding shares.

Steel output up

Canada's steel ingot output for week ending July 3 was 284,867 tons, up 5.4 per cent. from the preceding week, Statistics Canada said. The comparable total in the year-ago week was 248,498 tons, AP-DJ reports from Ottawa

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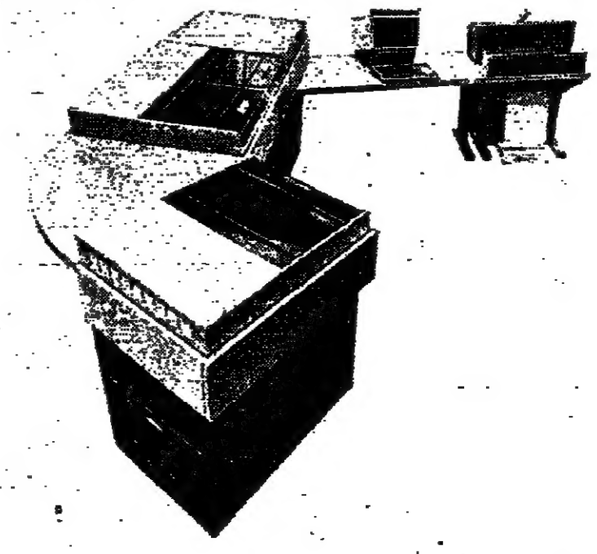

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FT2

EUROPEAN NEWS

Spanish opposition joins boycott of Government

BY ROGER MATTHEWS

MADRID, July 6.

THE NEW Spanish Prime Minister, Sr. Adolfo Suarez, rebuffed by all the more prominent liberal Ministers who have refused to serve in his Government, has now had to put out feelers among the opposition parties.

But the only opposition leader known to be considering a Government post is Sr. Antonio Garcia-Lopez, who heads a small Social Democrat faction that has poor relations with other centrist and left-wing parties.

Meanwhile, the King was understood to-day to have been "astonished" at the refusal by all his Ministers most associated with a programme of democratic reform to kep to their posts following Sr. Surez's appointment as Premier. And despite persistent pleas by the King, there is no sign that these Ministers will change their minds.

Sr. Jose-Maria de Areilza, the outgoing Foreign Minister, personally told the King yesterday that his decision to quit had been carefully thought out and was irrevocable. As the most liberal convinced monarchist in the Government, his resignation is a serious blow to the King. Sr. Fraga Iribarne, another of the architects of the reform programme, dined with friends to-night to plan strategy outside the Government, having cleared his office of personal papers. The King telephoned him yesterday and met with the same adamant refusal to serve.

Another blow for the new Prime Minister, who at age 43 has political experience limited to the workings of the Franco regime, was the rejection to-day from Sr. Silva Munoz who had been tipped as foreign Minister. He was on the list of three prime ministerial candidates drawn up by the Council of the Realm on Saturday, and apparently believes that his political future will be better assured by remaining outside what could be a short-lived government.

The new Prime Minister spent nearly an hour this morning with Torcuato Fernanez-Miranda, who cognised as real manipulating is increasingly coming to be reforce in the regime. As President of the Cortes (parliament) and chairman of the Council of the Realm, he has been advising the King closely for the past seven months and personally suggested the name of Sr. Suarez during the deliberations of the Council.

Sr. Fernandez-Miranda is also associated with those politicians, from within the orbit of the Opus Dei religious organisations, who are now expected to regain some of the power they lost during the final three years of General Franco's rule.

But such has been the reaction within the more liberal elements of the regime against the return of Opus that none of the best known members are now expected to serve in the Government. The Prime Minister denied to-day that the "technocrats" as people with Opus Dei links are known, would return to power.

Leading members of the main opposition parties, still partly stunned by the dramatic switch in Government emphasis, also held a series of meetings to-day to consider their strategy.

On Friday and Saturday, they had anticipated a Government led by Sr. Areilza and a firm offer to participate in some sort of pact which would speed up the slow progress towards a more democratic system. Now, however, faced with the prospect of a government more oriented towards General Franco's National Movement, and therefore less concerned with democracy, their situation is far more critical. All those parties belonging to the mainly left-wing Democratic Coordination have condemned the appointment of Sr. Suarez and are refusing to consider meeting him even if asked.

New optimism over Italian economy

BY DOMINICK L. COYLE

ROME, July 6.

DESPITE the absence of a Government here, and the generally stalemated political situation in the wake of last month's national elections, there is a mood of qualified optimism in the Italian air, reflected in a further advance to-day of most share prices on the Milan Bourse. This, in fact, continues the sharply upward trend of the past two weeks.

Some Milan observers are already talking about a "new climate" for investment, and the latest (provisional) figures for industrial production published this morning show output in May almost 17 per cent. higher than in the corresponding month last year, an indication of a "mini-boom," according to one Italian newspaper to-day.

The lira, too, continues to improve against most major currencies, and at this afternoon's official fixing was more than a point higher against the U.S. dollar, seemingly without intervention by the Bank of Italy. The rate was fixed at $63.95.

It is as well, however, to qualify some of these indicators. Share prices hit an all-time low following a rash of near-panic selling in the early days of April, when the Moro Government was on the point of collapse, and levels then were discounting, in the words of one broker, "Just about everything except fighting in the streets."

The prevailing investment fear then, of course, was the possibility of the Communist Party emerging as the largest political force in Italy, an expectation not confirmed in the subsequent General Election, although the Communists did make a strong advance. Thus, there was a margin for some recovery in share prices.

Industrial output in May is admittedly sharply up on the previous year, but May, 1975, was the bottom of the worst Italian recession since the war, and the official production index two years ago stood at 129.7, or more than five points higher than the latest figure for May.

The improvement in the lira is also relative, considerably improved from the low of 922 reached in May before the introduction of the 50 per cent. import deposit scheme and other emergency measures, but sharply devalued over the average rate during the second half of 1975.

This devaluation has, of course, helped export competitiveness, but the other side of the coin is already visible in higher import prices.

Meanwhile the all-party agreement, essentially a pact between the Christian Democrats (CD) and the Communist Party (PCI), providing for a Communist president to be elected to the Chamber of Deputies is being interpreted widely as a first indication that the two big parties will find some mechanism for collaboration on future economic and social policies.

Russian sackings over food plan talks

RUSSIAN federation food ministry officials have been reprimanded—and one of them apparently sacked—following the discovery that edible oil and fat production figures were faked to the tune of Rouble 8m. (£6m.) last year, the newspaper Socialist Industry reported yesterday, Reuter reports from Moscow.

Fictitious entries in the books of factories in four south Russian provinces allowed the repartment for the sector, Rosglavzhirmaslo, to claim it had fulfilled its plan for 1975, the paper said.

The former head of the department, Mr. V. M. Sheredeko, personally dobliged factory directors to fake their production figures, the Soviet Communist party control committee said in a report quoted by the newspaper.

Poles warned

Poles were warned yesterday that their farming structure had failed up to 15 years behind those of other Communist states and 20 years behind those of Western nations, Reuter reports from Warsaw. Calling for a greater effort, the Communist Party daily Trybuna Ludu wrote: "In one decade we must do what took others tens of years." The article was one of a series painting the reality of Poland's food production The Government was last month forced to withdraw food price rises after workers' strikes and protests.

Eanes confirmed

Portugal's Supreme Court yesterday confirmed General Antonio Ramalho Eanes as President, opening the way for his inauguration on July 14, Reuter reports from Lisbon. General Eanes, backed by the three main non-Communist parties, won the Presidential election last month. He will be sworn in before the Assembly of the Republic—the Parliament elected last April. The General has said that he will let the Socialist Party form a minority Government on the basis of the 107 seats they hold in the 263-member assembly.

Malta bank strike

Bank of Valletta employees yesterday went out on an indefinite strike keeping 25 branch offices closed, Godfrey Grima reports from Valletta. The strike was ordered by the Malta union of bankers after negotiations for improved wages and conditions fell through. Addressing an extraordinary meeting yesterday Union President Mr. Boby Laurenti warned that employees from other banks may be called out in sympathy if the situation does not improve. The move would bring the island's Government-controlled banks to a halt.

British plan for European Parliament

BY ROBIN REEVES

BRUSSELS.

THE BRITISH Government now has its own plan for the number and distribution of seats to a directly-elected European Parliament which Mr. James Callaghan is likely to press at next week's summit of Common Market Heads of Government.

The plan proposes a parliament of 390 seats in which the big four ECC members, France, Italy, West Germany and the U.K. itself would have 78 seats each, Belgium and The Netherlands 22, Denmark and Ireland 14, and Luxembourg 6.

This distribution is arrived at by doubling the existing number of seats in the Parliament (198) and then adding 6 for the big countries and subtracting 6 for the small ones.

British officials are refusing to confirm or deny the plan exists because the Government does not wish to appear to have pre-empted the common debate on direct elections this coming Friday. Mr. Callaghan has promised to take into account the views of MPs before taking up a final position on the subject.

However, it appears the plan has already been conveyed to other EEC national capitals and was almost certainly discussed during the recent round of bilateral meetings between Mr. Callaghan, French President Giscard d'Estaing and West German Chancellor Helmut Schmidt.

From the U.K.'s point of view the proposal has the merit of providing a larger number of seats than the Luxembourg formula which suggested doubling the present number of seats but then subtracting six off every national total. The Government has insisted all along that the number of seats must be sufficient to give adequate representation to Wales, Scotland and Northern Ireland.

The Government's proposal also sits comfortably within the Common's Select Committee's conclusion that a directly-elected European Parliament should total between 350 and 425 seats.

Objections are likely to come from the Community's smaller countries, notably Ireland. Assuming the British plan is used as a basis for discussion, some are certain to press for a su of fewer than nine seat Ireland (population 3m press for double its number minus four to gi of 18; Denmark (popula for double minus three 17.

The big countries wi able to argue that such breach the principle of tional distribution in re size of population. Givin (population 45m.), Italy the U.K. (55m.), an Germany (60m.) all number of seats means be the case anyway. Th lower in such terms, the have made it clear all they are willing to agre formula acceptable to t the Community.

EAST EUROPE'S ECONOMIC PROBLEMS

Comecon to stress integration

BY PAUL LENDVAI

VIENNA, July 6.

THE THIRTIETH session of the council of Comecon, the East European economic organisation, which opens on Wednesday at Prime Ministerial level in East Berlin, will according to an official Hungarian commentary, try to take steps to accelerate the economic integration of the Soviet bloc.

The Czechoslovak Deputy Premier, Mr. Rudolf Rohlicek, writing about the forthcoming session in the Czech publication Rude Pravo, claimed that between 1971, the year when the organisation adopted its ambitious complex programme of integration, and 1975 the GNP of the Comecon countries rose by 36 per cent. against 14 per cent. for the industrialised Western countries and 12 per cent. for the European Economic Community.

Industrial output during the same period is claimed to have jumped by 45 per cent. against the growth of only 9 per cent. in the capitalist countries. Trade within Comecon is said to have almost doubled to Roubles 71bn.

The Czech newspaper Praca said to-day that an agreement between the EEC and Comecon proposed by the East would be of great significance for the expansion of economic co-operation with industrialised capitalist countries.

At the last meeting of Comecon Prime Ministers in Budapest a year ago, major projects to develop fuel and energy resources in the Soviet Union and to build jointly a large pulp and paper plant, an asbestos complex, a giant natural gas pipeline and a power grid from the Ukraine to Hungary were signed. The deals involved a total investment of nearly Roubles10bn.

The forthcoming meeting is overshadowed, however, by the sudden deterioration of the economic situation and by inflationary pressures in most East European countries. The riots in Poland following the food price rises were regarded as a serious warning by the Communist leaders.

Faced with serious supply difficulties itself, the Soviet Government, according to reliable sources, has informed the Poles, Hungarians and Czechoslovaks that there could be no question of direct Soviet financial assistance. In 1971, after serious upheavals in Poland a Soviet $100m. hard currency credit helped Mr. Gierek launch his drive to increase living standards.

Economic difficulties experienced by all Soviet bloc countries make the co-ordination of the 1976-80 plans in general and price fixing agreements in particular still more difficult.

In a television interview yesterday West German Chancellor Helmut Schmidt said on the eve of his visit to Vienna that the total outstanding debts of $32bn. owed by Comecon to the West might soon reach $40bn.

Irish unions reject uniform pay deal

BY OUR OWN CORRESPONDENT

DUBLIN, July 6.

THE IRISH trade union movement to-day finally abandoned any lingering hopes for a national agreement on wages when the annual conference of the Irish Congress of Trade Unions formally authorised the unions to go ahead with their free-for-all or, as the unions insist on calling it, industry-by-industry bargaining.

There has been much speculation that unions would voluntarily negotiate within the broad terms of the rejected draft national agreement which provided for increases of between £6 and £10 a week. But within minutes of to-day's decision, two unions said they were proceeding at once with their claims of £15 a week.

To-day's decision, though all but inevitable, will dismay both the Government and the employers. The latter have still to formally make up their minds on the ill-fated draft agreement.

The Irish Cabinet considered the pay situation at its weekly meeting to-day, but its room for manoeuvre would seem to be small. Any statutory controls could well lead to the break-up of the coalition by proving unacceptable to the minority Labour Party. So the Government's only policy may be to stand as firm as possible on wage claims from its own employees.

New call policy fo air indus

By Philip Rawstorne

THE EUROPEAN Parli day called for the urge opment of a common the European aircraft

Endorsing the EEC sion's proposals for the tion of the industry, MP the Council of Minis failure to act could Europe's aircraft manu to the role of subcontr the U.S.

Mr. O. Guldberg, Liberal, speaking on the Parliament's econo mittee, said that Europ of the civil aviation m fallen considerably in five years.

"If the European ai dustry goes under, it merely have an immedi on employment but cou longer term serious European research an logical developments.

"Existing co-operat tween European aircra facturers is insufficien through rationalisation tion and concentration aircraft programmes ca dustry secure a competi tion on the inte markets," he said.

Parliament approved tion calling for the re of national and progra Community financing ments over a five-year

It also urged the C set up a military air curement agency as an element in the comm for the industry.

These steps, the added, should be foll moves to establish a European airspace transport policy.

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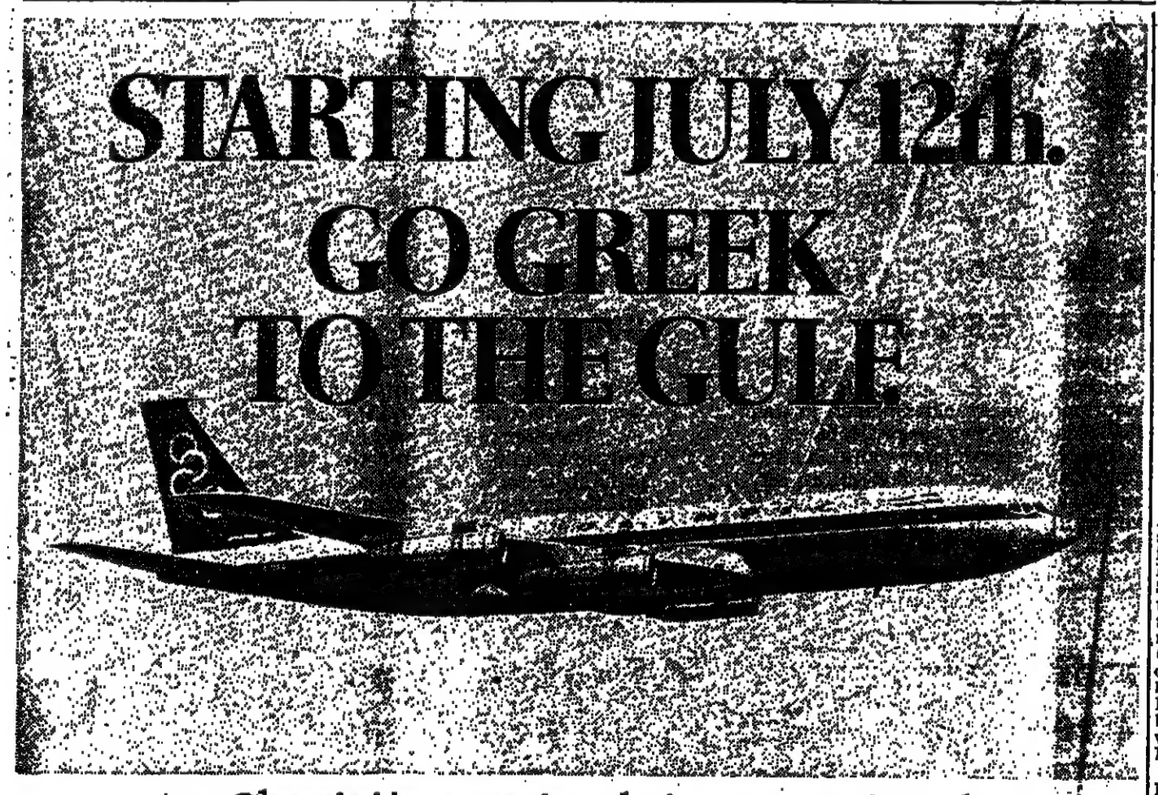

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Prisoners to be freed under new Ceausescu amn

BY OUR OWN CORRESPONDENT

VIENNA,

UNDER AN amnesty decree issued to-day in Bucharest, people serving prison terms of less than two years will be released in Romania. Pregnant women, mothers of small children and minors serving sentences of up to five years are also released, while the sentences in this category in general will be reduced by a quarter. As usual, the communique did not make any difference between common criminals and political prisoners.

This is the second amnesty decree signed by President Ceausescu within three weeks. In mid-June all Romanian citizens who defected while abroad or illegally left the country, were pardoned provided they returned permanently to Romania within two years and that had not been "in the service of organisations carrying hostile activities against Romania."

Meanwhile, the central committee of the Romanian Communist Party, at its recent meeting, promoted the former Minister of Defence, General Ionita, to full membership of the political executive committee, the top party body. The promotion should quell widespread speculation that his removal and simultaneous appointm of the Deputy Premier 15 was due to deficienc army. It is more likel will act as an overlor entire defence sector.

The new Minister of General Ion Coman, th of Interior, Mr. Tendo and the new Buchar chief, General Ion Dinc members of the politic tive committee.

SOVIET-ROMANIAN RELATIONS

Back to Bessarabia

BY PAUL LENDVAI, VIENNA CORRESPONDENT

AT THE BEGINNING of June alarmist rumours were circulating about a mobilisation of the Romanian army following alleged Soviet troop concentrations on the common border. At the same time two Soviet missions — a military delegation headed by General Jepishev, the political chief of the Soviet army, followed by Central Committee Secretary Konstantin Katushev — paid lightning visits to Bucharest, where they were received by President Nicolae Ceausescu.

It was at this juncture, with Romanian - Soviet relations apparently on the verge of an open rupture, that Mr. Ceausescu delivered a long awaited major policy address to the Congress of Political Education which came as a surprising anti-climax.

One brief paragraph provided the key to the surprisingly conciliatory tone struck by the President and party leader: "We consider it both our national and international duty to do our utmost to see that some problems inherited from the past and created by the policy of the ruling classes cast no shadow on the collaboration and solidarity of our parties and peoples. In this context I wish to mention that Romania has no territorial or other problems with the Soviet Union and other neighbouring states. We want the borders between Romania and all neighbouring states to be borders of friendship and collaboration."

These sentences, as well as the pledge to fulfil Romania's obligations in the Warsaw Pact and to collaborate with these armies even after the dissolution of the blocks, together with effusive tributes paid to the Soviet role in the country's liberation, were reprinted with evident satisfaction in the next day's Moscow Pravda.

The issue on which the Romanian leader may have come dangerously colse to the point of provoking massive Soviet threats was the strife concerning the territory of Bessarabia. The 17,000-square mile area lying between the rovers Pruth and Dniester and the Black Sea was occupied in the early 14th century by the Moldavian ruler Basarab and called Bessarabia. It was conquered by the Turks in the late 15th century and, by the Treaty of Bucharest in 1812, ceded to Russia, thus providing the latter with direct access to the Danube delta and a powerful lever of control over navigation on the Danube.

Ever since, Bessarabia has been a bone of contention between Romania and Russia. Romania reoccupied the territory in 1918 during the civil war that followed the October Revolution in Russia. A newly-formed national council, a more or less representative body, voted overwhelmingly in March, 1918, for the union of Bessarabia with Romania.

The Soviet Union never recognised the loss. Bessarabia was included in the secret protocols of the Hitler-Stalin pact of 1939, and in June, 1940, after presenting an ultimatum, the Russians occupied the area. Just one year later Romanian troops returned, accompanying the Nazi invasion of the Soviet Union, but at the end of the war Bessarabia was reabsorbed by the Soviets.

In a celebrated speech in May, 1966, Mr. Ceausescu condemned the 1940 dismemberment of the country, and explicitly castigated the pre-war Communist leadership for making policy statements against Romanian territorial integrity. Ethnic Romanians, whom Soviet statisticians still classify as "Moldavians," still account or some 2m. o the

During the last year or so, the initially cautious and subtle debates between Soviet and Romanian historians about Bessarabia have become a major and increasingly dangerous irritant in Soviet-Romanian relations, already subjected to manifold political strains. As a prelude to next year's centenary of Romanian independence from Turkey, a series of Romanian publications resurrected the historic claims to Moldavia, justified the unification of Bessarabia with Romania in 1918, revealed the truth about the Soviet-German secret pact of 1939 and recalled the Soviet ultimatum of 1940 with a best-seller, called "The Delirium."

After repeated demands issued by Soviet Moldavian leaders for "a resolute rebuff" of those "demagogic politicians" who falsify history and nurture "unattainable dreams of a return to the past," two massive Soviet books were published in 1975 and this year. The authors —A. M. Lazarev and J. Kopanski —restate the Russian claim to the disputed region, deny the legitimacy of the Bessarabian council, which opted for union with Romania in 1918, pointedly recall "the real internationalist Romanian Communists" in the inter-war period, who supported "reunification with the Soviet fatherland" and, last but not least, maintain that the Moldavians are not Romanians at all, but have evolved into a separate nationality.

> 'Ethnic Romanians, whom Soviet statisticians still classify as "Moldavians," still account for some 2m. of the 3m. population of Soviet Moldavia.'

The fact that the Chinese hastened to the support of Romania's historical claims, with a famous statement by Mao Tse-tung in 1964, to attack the "brutal Russification, carried on by the new Tsars in Moldavia," has poured oil on to the smouldering fires of growing Soviet anger. Even by obliquely raising a territorial issue, the Romanians have touched on one of the most sensitive nerves in their relations with the Soviet Union.

Ceausescu's denial of the existence of any territorial claims against the Soviet Union was therefore a demonstrative political concession; because the Bucharest Government has already repeatedly recognised the inviolability of all European frontiers, for the last time less than a year ago wher the final document of t pean Security Confer Helsinki.

Mr. Ceausescu also ga that "attempts to dis misrepresent historical not serve the cause of fr among peoples." He "Throughout centuri milenia peoples have d and settled in certain te and have become in nations and States. Th objective historical rea cannot be changed by whether certain histori it or not."

In other words, the Ro will continue to fight f they regard as the lo truth about Moldavia, claim any present or fu claims to the disputed Thus only three weeks a Ceausescu's tactical retr orthodox metropolit Timisoara, Dr. N. Corne the historian Professor told the Austrian Press symposium in Vienna t Moldavians and Ro ethnically were one peo that Orthodox priests in 3 hold church servic Romanian.

Mr. Ceausescu told th pean Communist confer East Berlin that its party the defence of vital interests and the protec independence and nation dom by no means as "a narrow-mindedness," but contrary as its suprem Thus by claiming to historic truth about Bes the Romanian Communis also placed themselves mainstream of Romanian

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OVERSEAS NEWS

Rhodesia plans big increase in defence spending

BY TONY HAWKINS

SALISBURY, July 6.

OR INCREASES in defence security spending are an-ced in the Rhodesian rnment's public expenditure ates tabled in Parliament.

blic spending will rise more 15 per cent. this year or n. (£74m.), with about half directly attributable to the lla war. The defence vote is up 40 per cent. at 4m. (£75m.), but a further n. (£13m.) is provided in reasury vote as unallocated ity expenditure to be trans-d to the appropriate security as required.

urity and security-related diture would appear to about $R130m. (£115m.) It is an increase of around r cent.

army vote accounts for cent. of the total budget of this being pay and allow-for the regular troops and reservists and territorials. ent to national servicemen reservists will rise 177 per this year.

economic war is also evi-in the estimates. A further n. is included to subsidise s at this year's tobacco taking total Government ort fo rthe industry since in 1965 to $R123m. (£109m.), than $R6m. is provided for the cattle industry which suffered from the fall in beef market conditions in consumer countries last year, and a further $R28.4m. for Rhodesia Railways to meet its operating losses.

There is also a $R5m. loan to the Rhodesian Iron and Steel Company (a major exporter) and the estimates reveal that the Government is of guarantee loans to the company of $R58m. (£51m.), though no details of this are given.

While security is clearly the top priority, spending on social services remains high, with the African education vote alone increasing more than 19 per cent. Indeed, after defence, education is the second largest vote, appropriation absorbing 11.8 per cent. of the total budget.

How this increased public spending is to be financed will be revealed in the budget next week, but at Easter the Govern ment announced higher indirect taxes estimated to bring in $R60m. (£53m.) in a full fiscal year.

Unless Government revenue last year was significantly higher than forecast—which seems improbable—this implies that the Minister is either going to have to budget for a large deficit or impose a further round of tax increases.

President Amin

QUARRELS AT THE OAU

A most forgettable summit

BY STEWART DALBY

PORT LOUIS, July 6.

THE SUMMIT of the Organisation of African Unity, which has just ended here, could well go down as the most inconclusive, if not divisive, in the African body's 13-year history. When it started—with the preliminary Foreign Ministers' meeting 10 days ago—it looked as though there just might be a rare degree of unity, at least on the central issue of South Africa.

The Soweto riots and killings aroused anger. The normally bland OAU spokesman, Mr. Peter Onu, said at the time: "The time for talking about South Africa has passed: what we need now is action, not words.") As for other potentially divisive issues like Angola, seemed buried, and other problems relatively easily dealt with.

In the event, although the Heads of State (of whom there were perhaps fewer than at any other summit) passed more than 70 resolutions, none, even the seven or so on South Africa, por tended real action. The summit itself will probably be remembered above all for the rash of bilateral disputes among its members that swamped its concluding hours.

Ethiopia clashed with Somalia over the question of Djibouti—the territory of the Afars and the Issas. Morocco and Mauritania argued with Algeria over the Western Sahara. Uganda accused Kenya of collaborating in the daring Israeli raid on Entebbe airport. Sudan accused Libya of staging an abortive coup against President Jaffaar Nimairi. And Rhodesian liberation movements, having argued throughout the summit behind the scenes, demonstrated their capacity to split and stay split in the open.

The African National Council (ANC) row was nothing new. But with the unseemly squabble between its factions rounding off events, many delegates concluded that this conference, which had the lowest attendance of Heads of State for many years, was also the most divisive.

The conference began in an atmosphere of unease. Mauritius is many hundreds of miles off the African mainland and its population is 56 per cent. Indian in origin. The cost of the conference had provoked angry criticism among the local population. Many Mauritians, in fact, do not regard themselves as part of Africa—a feeling that led to a strike by low-level civil servants even before the summit opened.

Some African States also had doubts about Mauritius. President Idi Amin of Uganda, the outgoing chairman, refused initially to hand over the chairmanship to Sir Seewoosagur Ramgoolam, hte Prime Minister of Mauritius, on the grounds that Queen Elizabeth was technically the Mauritanian head of State. This problem, however, was resolved.

> Israel's intrusion into the heart of Black Africa humiliated many delegates who warmly supported the resolution calling for a United Nations Security Council emergency debate. The raid has the potential of sending fissions through the OAU membership.

The irony was that the only main links Mauritius has with Africa are with the White South. Ten per cent. of its imports, in fact, come from South Africa, as do half its tourists. Some of the almost comic attempts made to conceal the South African connection have been well publicised, the hastily relabeling of South African wines, or the suppression of the South African trade mark on the lavatory paper, for example. But there is a more serious aspect. Mauritius is one of at least 15 OAU member States which have important economic links with Sotuh Africa. The Republic itself uses its economic strength to try to win friends in Black Africa. The confernce might, but did not, have considered ways in which members could free themselves of South African dependence.

The net result, however, of the anti-South African *groundswell* was a feeble Olympic resolution which "calls upon" (not demands or insists) that members boycott the Olympic Games if New Zealand is allowed to attend after playing rugby with South Africa. There were several watered-down resolutions about sanctions and one tougher item "committing" members not to deal with South African homeland leaders.

In the end, the conference was consumed by the inter-state conflicts. At first the most intractable seemed that between Ethiopia and Somalia over Djibouti. France has announced that the territory will become independent next year. Somalia, however, backed by Russia, has indicated that it wants to annex at least part of the territory on the grounds that some of the population is Somali. Ethiopa, with the support of the United States, has vital interests in the territory—especially since some 80 per cent. of its trade travels along the 500-mile railway line to the port in the territory.

The conference eventually passed a resolution supporting, on the whole, Ethiopia in calling for the territory's total independence: Somalia, although accepting the resolution, seems not to have ruled out taking up arms at some later stage.

The dispute over the Western Sahara proved as disruptive. The phosphate-rich territory has been administered jointly by Mauritania and Morocco since Spain pulled out last September. Algeria, however, has backed the Sahara independence movement, Polisario. Deadlock was reached over the words "occupying forces" in a resolution that lead to Morocco boycotting the summit. Finally, the conference agreed to hold a special summit on the Sahara conflict.

Far more dramatic were the two clashes—between Uganda and Kenya and Sudan and Libya—that rocked the conference in its final stages.

President Nimairi

Many delegates felt humiliated by Israel's intrusion into the heart of Black Africa and warmly supported the resolution calling for a UN Security Council emergency debate. Kenya denied President Amin's charge that it had collaborated with Israel. And as relations between Kenya and Uganda have been fraught for months, the raid can only make things worse.

The Libyan-Sudan row could also have serious repercussions. President Nimairi explicitly accused Libya of mounting the abortive coup against him. If Sudan decides to push the issue, inevitably members will side behind the feuding parties.

The 13th summit has therefore ended with none of the outstanding issue resolved. It also faces several new crises. Every summit has produced its problems. But this one stands out, perhaps, as the most forgettable.

Nimairi names five states in coup bid

CAIRO, July 6.

ANESE President Jaafar iri said in an interview shed to-day that mer-ies from Ethiopia, Mali, Zanzibar and Libya took in Friday's abortive coup st him.

said they had been trained bya, "which aimed at chang-he (Sudanese) Government use it does not go along with policies," according to the paper Al-Ahram.

esident Nimairi told a corre-dent in Port Louis, ritius, where he was attend-the Organisation of African y (OAU) summit, that the enaries had confessed to g trained in Libya. He called nove against him an invasion outside, and not an npted coup, "because not ngle man of the Sudanese ed forces had taken part in He said many people died he fighting.

esident Nimairi said those carried out the plot had ned to kill him and all bers of the government, as as Khartoum airport als.

said the plotters planned bring back Mr. Sadik fahdi, a former Sudanese e Minister opposed to him, to head the new Government, assisted by Sherif Hassan al Hindi, another dissident.

An aircraft carrying members of the plotters' government was flying over Khartoum during the fighting, and waiting for a signal to land, the President told Al Ahram.

He said the plotters would stand trial.

From the United Nations in New York it was reported yesterday that Sudan had called for an urgent Security Council meeting, citing "massive evidence" of Libyan responsibility for the attempted coup. At the OAU summit in Port Louis, President Nimairi last night accused Libya of engineering the coup.—Reuter

Alan Darby writes from Khartoum: Most of Khartoum's refugee population is being rounded up for questioning to determine whether they were involved in the attack.

The official death toll of Sudanese Army Forces killed during the attack has now been released as 37. Included are the head of military intelligence, Lieut. Gen. Mohamed Yahia Munawar, and the head of the military medical unit, Maj. Gen. Hussein Abdel Rahman Shalaki.

Lebanon conflict spreads

BY MICHAEL TINGAY

BEIRUT, July 6.

EW front opened to-day at northern coastal town of ka, causing the suspension lks which began on Sunday e Syrian-held summer resort of Sofar, high in the moun-on the main Beirut-ascus road.

ekka, 28 miles north of it, was hit by a powerful tinian and left-wing force three-pronged attack includ-roops which landed by sea, s reported. The taking of ka and small towns in the ity will now provide a bar-ng counter for left-wing s in their effort to lift the eek-old siege of the guered Tel al Zataar tinian camp.

left-wing forces said that offensive had cut off all ies and communications to t, the northernmost large in the redoubt of Christian non, and the home town of dent Suleiman Franjieh. forces said they were only 5 km. from Amsheet, where the Franjieh-controlled radio station is located.

Left-wing papers in Beirut to-day said that forces of the Christian right-wing were massing for a new attack on Tel al Zaatar. The camp came under heavy shelling again yesterday, and a Red Cross convoy which crossed from west Beirut with emergency relief supplies for the camp had to turn back. Two surgeons from the Red Cross convoy approached the gates of the camp which promptly came under shell-fire.

The tactical basis for the attack on Chekka is the cutting off of Zhgarta. The Left-wing newspaper, Al-Safir, quoted a Palestinian official as saying that the Right-wing forces had been made an offer of allowing food and medical supplies to pass through Chekka to Zgharta in exchange for allowing similar convoys to Tel Zataar.

Australian securities law

CANBERRA, July 6.

AUSTRALIAN Federal rnment will meet State rnments to discuss the lishment of a uniform nal company and securities try law, the Business and mer Affairs Minister John rd said to-day.

said a comprehensive orations and securities Act, antially in accordance with nt State laws, is proposed.

Interstate Corporate rs Commission (ICAC) will lissolved and a National orations and Securities Com-on established, with existing bodies retained to nister the Act.

Howard said the federal rment will ask each state peal their own corporations securities laws. Federal and governments had an obliga-to work together to achieve effective national scheme h provides not only safe-ds for investors but a cli-of regulatory stability or ietability for legitimate ness.

present, company and rities law is a state respons-, although four states—New h Wales, Victoria, Queens-and Western Australia—ted uniform laws ad-ministered by the ICAC, which became effective in March.

Yesterday in Sydney, the ministerial council of the ICAC ordered an examination of insider trading provisions of the securities law in the four states after complaints that it was inhibiting innocent business.

Meanwhile, an environmental commission examining uranium mining in Australia left to-day to inspect nuclear power plants in Britain and West Germany.

The purpose of the two-week visit is to see plants and operations which have been discussed in evidence during 107 days of public hearings. The operations include a nuclear reactor, an enrichment plant, a reprocessing plant, and waste storage and disposal activities.

● Mr. Fraser will visit the United States later this month at the invitation of President Ford, it was announced to-day. Reuter

ON OTHER PAGES

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HOME NEWS

Bankruptcy rate shows 28% rise over 1974

BY JAMES McDONALD

A SHARP RISE in the volume of receiving orders and administration orders in bankruptcy occurred in England and Wales, according to the Department of Trade's annual report on bankruptcy, published yesterday.

The number of failures last year increased 28 per cent. compared with the previous year. There were 6,698 bankruptcy cases, compared with 5,208 in 1974, and 123 deeds of arrangement, compared with 106 in the previous year.

Once again the greatest number of failures occurred in the construction industry, with 1,522 of the 4,677 trading failures. Retailers had 1,065 failures, road haulage, taxis and hire cars 450, garages, motor dealers and filling stations 303 and financial, business and professional services 300.

The 2,021 non-trading bankruptcies included 402 directors and promoters of limited companies.

The largest bankruptcy case had estimated liabilities of £17m. There were nine other cases each with liabilities over £1m. The largest deed of arrangement had liabilities of £55m. There was one other deed with liabilities over £1m.

Of the 6,698 cases administered in bankruptcy, 3,676 had estimated assets of less than £300 each.

The estimated liabilities in all these failures amounted to £147m., an increase of 196 per cent. compared with 1974. The estimated value of the assets was only £24m.—an increase of only 24 per cent.—leaving an overall estimated deficiency of £123m.

In the construction industry a total deficiency of £4½m. represented an average of £3,000 a case.

The number of estates in which official and non-official trustees were released in 1975 was 3,437, compared with 3,682 in 1974 and 3,702 in 1973.

The report also gives details of: 787 debtors' applications for discharge (722 in 1974); 1878 prosecutions for bankruptcy and other offences reported by official receivers (239 in 1974); 123 deeds of arrangement registered (106); and 115 deeds of arrangement in which final accounts were rendered.

Bankruptcy, General Annual Report for 1975, SO, 65p.

Leonard Burt

First Officer Ann Bostock, first woman pilot to join British Caledonian Airways. Yesterday's picture shows her beside a BAC 1-11 before taking off from Gatwick for Glasgow.

● NEWS ANALYSIS—PENSION FUND INVESTMEI

Lesson of London Co-o

BY ERIC SHORT

MONDAY'S High Court judgment on the London Co-operative Society pension fund investment in the LCS has highlighted the responsibility of trustees towards pension fund investment. In particular, it has underlined the fact that the primary task is to invest for the benefit of the members of the scheme and has shown that the interests of the pension scheme do not necessarily coincide with those of the company.

Investment back into the parent company can pose particularly thorny problems, whether it is straight equity investment in shares of the parent or by means of loans, secred or unsecured, to the parent company.

The whole objective of funding the liabilities of a pension scheme is that the scheme can stand on its own two feet independent of the parent, so that if the parent failed, the pension scheme could pay out the benefits to members secured to the date of the collapse.

Pressure

Therefore the trustees should look very carefully at the investments of the fund which are related in any way to the activities within the group. One common use of funds is to provide cheap mortgages to certain members of the staff, usually executives, but there is growing pressure from some trade unions to use pension fund money to provide mortgages to all staff members.

Even on commercial building society rates, this is a poor form of investment for pension funds compared with returns on other fixed-interest stocks.

Certain local authorities in the past often regarded the superannuation fund as one of the main sources of finance for council house building, the money being secured at low rates of interest.

This resulted in the return on the fund being lower than that from a company pension scheme, and the ratepayers had to make up the difference.

But this practice seems to have died out with the establishment of finance committees advising local authorities on which the actuary to the scheme is a member. He has been prepared to voice his objection to the practice or at least to emphasise the financial implications.

In this respect, the actuary to the pension fund, private or local authority, can play a vital part in stopping the abuse of investing back.

Mr. Dennis Gilley, a senior partner in R. Watson and Sons, a leading firm of consulting actuaries, regards making an analysis of the investment policy and assets of the fund as an integral part of the actuary's task when he makes the periodic valuation into the solvency of the pension fund.

He considers that the actuary's report would be incomplete without showing the analysis and making comments upon it.

The Occupational Board in its investigations into the solvency of pension funds made very specific recommendations on investing back to the parent or with any other companies in the group.

It recommended that investment should be li 10 per cent. of the fund the parent's equity and loans or advances shoul arm's length on com terms.

Scrutiny

Yet there is a growing for pension schemes to b unfunded, in which c benefits to employees w completely bound up fortunes of the parent c The London Co-operati has raised the ques whether other forms o ment will be the subject plaints by members scheme and pursued o to the courts.

In particular, the cas latest investment vehicle Capital for Industry, co be the subject of scrutiny.

Many investment m said at the time of launch that it was not suitable investment for funds and that quoted were a better investme

However, Mr. Max chairman of the Natio ciation of Pension Fund supporter of ECI, consu there is no analogy investment in ECI and back in the parent.

He said that the decisi tion of ECI was to enterprises which would ally show returns co with equity investment would be done on co terms with no possibility sidised investment.

Prospects trouble building industry

By Michael Cassell

BUILDING INDUSTRY leaders will see Mr. Reg Freeson, Minister for Housing and Construction, to-morrow to voice their fears about prospects for private housing activity.

A delegation from the House Builders' Federation will tell Mr. Freeson of their underlying lack of confidence, caused by fears over future demand, mortgage availability and land supplies.

Mr. Charles Mitchell, president of the federation, told members in Cardiff yesterday that the housing sector was operating at only three-quarters of potential capacity and looked like continuing to do so. Unemployment remained deplorably high.

Tax plans

In the first half of this year, private builders made a start on an estimated 80,000 homes and an annual total of 160,000 had been generally expected. Last year, a start was made on 147,000 private homes.

Mr. Mitchell said, however, that he doubted if the rate of output achieved in the first six months of this year could be maintained in the second half.

Development Land Tax proposals in particular, were encouraging builders to advance as much work as possible before August 1, the expected appointed day for the tax.

The builders will tell Mr. Freeson that there are three main reasons for the industry's pessimism.

Serious doubts as to whether demand for housing will be maintained in the face of continuing restraints on real income are their biggest worry.

The industry is also concerned about the chances for a continuing high flow of mortgage money onto the market.

Recent increases in general interest rates had lead to a sharp reduction in the volume of money received by building societies, said Mr. Mitchell.

The societies had more than £5bn. in liquid funds to act as a cushion against any fall-off in funds, but the house-builders remained concerned that the Government could bring pressure on the movement to cut lending to make available finance go further.

Detrimental

Government pressure had resulted in a dampening down of mortgage lending in May and June so as to keep within the annual target of £6bn. This was already having a detrimental effect on the market, at a peak buying time of the year.

The Building Societies' Association said this week, however, that the annual lending target which represented a 20 per cent. increase in loans over last year—remained at £6bn. despite the recent fall in net receipts.

The third major point which the builders will be making to Mr. Freeson concerns land legislation.

Swiss MAG group moves into joint venture with NVT

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

THOUGH resumed production after 15,000 engines have been assembled is no nearer, the Swiss makers of the MAG range of small industrial engines lined up with Norton Villiers Triumph yesterday to assemble and sell Villiers engines from the Wolverhampton plant. It has been occupied by the former employees since it was closed vy NVT nearly a year ago.

Motosacoche of Geneva, which makes the MAG engines, proposes to offer through a new joint company, Villiers MAG Engines, both MAG and Villiers engines for sale in the U.K. and abroad.

This will be good news for thousands of Villiers users deprived of spares, but has cut little ice with the NVT Action Committee, which until recently has picketed the factory. It was the committee's decision to collaborate with the liquidator that paved the way for the U.K.-Swiss link.

Mr. Tom Potter, a senior member of he action committee responsible for organising assembly work in both the industrial engines and motor-cycle factories—some 500 Norton Commandos remain to be built—was quick to point out that there was no security "in regard to an ongoing situation."

He was also doubtful if the motor-cycle factory would ever reopen for manufacture.

The 100 or os working on the site were awaiting a build programme of engines and machines. Motosacoche, part of the Charmilles group, is not believed to have underwritten more than about 40 jobs on a semi-permanent basis, probably extending over four months.

Mr. Dennis Poore, NVT chairman, said that with the apparent ending of the Wolverhampton "blocade" it was possible to get down to constructive planning to help the liquidator resolve his problems.

It should be now possible for Villiers customers to proceed with future product planning in the knowledge that continuity of supplies and service would be assured.

Mr. Philip Sellars and Mr. Alex Muirhead, both of Villiers Engines, will be appointed to the Villiers MAG Engines Board as vice-chairman and managing director respectively. Mr. Ernst Ritschard, of Motosacoche, will become chairman, and other representatives of that company will join the Board.

Western World 'has too many zoos'

By David Fishlock, Science Editor

BRITAIN and most other populated parts of hte Western world have too many zoos and similar institutions, the founder of one of the U.K.'s newest private zoos told an international audience at the Zoological Society in London yesterday.

Mr. John Knowles, the businessman who started Marwell Zoological Park, near Winchester, in 1972, told the World Conference on Breeding Endangered Species in Captivity there was no way the breeding of endangered animals could be made self-supporting.

Public preference for "certain common animals" imposed a burden on the already strained budgets of zoos. Many of Marwell's visitors, although interested in the rarities, asked why he kept so many of each species and yet kept no lions, sea lions or monkeys—"monkeys are so entertaining."

Forces resist defence cuts

BY MICHAEL DONNE, DEFENCE CORRESPONDENT

The chiefs of the Armed Forces are understood to be determined to resist any suggestion by the Government that defence should *bear a share of any further cuts* in public spending.

So far, the Ministry of Defence has not been formally asked to take another look at its spending, with a view to further squeezing However, such a request is clearly likely when the Government finally commits itself to the expected £1bn. overall additional public spending cut for 1977-78.

Under the Defence Review, the aim already announced is to cut defence spending by £4.7bn. by 1984. In April, 1975, a further £138m. in 1975 prices was lopped off the defence budget for 1976-77, and earlier this year, in the Public Expenditure Review, yet another £534m. was cut from defence spending up to 1980 (£177m. in 1977-78, £193m. in 78-79, and £164m. for 79-80).

The chiefs of staff say that they have made a more searching examination of expenditure than any other Government department, and as a result have already made a "very large contribution to the reduction of public expenditure . . . We should not be put through the examination again."

They are deeply concerned about the possibility of further requests for additional cuts in spending, largely as a result of what they are learning as they try to implement in detail the cuts already imposed on them under the Defence and Public Expenditure Reviews.

Already they face steeply rising costs for all kinds of equipment, which are reducing the quantities that can be bought on the existing budgets, together with the continued need to maintain commitments to Nato, and what they call the "paring to the bone" of all items of existing spending, both for the front-line and for support operations. Only by massive reductions in commitments can any significant new economies be made, the chiefs of staff say.

The cuts already announced are resulting in reductions of up to 30,000 civilian workers under the Defence Rev a further 10,000 under th Expenditure Review, wl the period to 1984, servi *power levels are also du*

As a result, suggestic the Tribune group of defence should be subj further cut of up to £1b —or at least bear some any additional cuts in ment spending—are bei a hostile reception by th forces.

While in theory it possible to squeeze a lit out of the defence budg year by reallocating priorities — deferring originally due to be b that year—in practice th considerable disruption armed forces and to and is considered undesi

One reason is that to create local unemp problems.

Also, deferring or equipment programme ally can be self-defe terms of saving mon

Fellowship memorial for cancer expert

BY KEVIN DONE, INDUSTRIAL STAFF

A RESEARCH fellowship in memory of Prof. Gordon Hamilton Fairley, the cancer specialist killed by a terrorist bomb outside his London home last year, has been created by the Cancer Research Campaign.

The first Fellow will be Dr. Bruce Ponder, 32, a clinical research Fellow at the Imperial Cancer Research Fund Laboratories.

Dr. Ponder, former medical registrar at St. Thomas's Hospital, London, will take up the one-year $18,000 (£10,000) Fellowship in July next year to enable him to work at the Sidney Farber Cancer Centre at Harvard Medical School, Boston, Massachusetts.

The Cancer Research Campaign secured an income last year of more than £5½m., an increase of 18.5 per cent. over the previous year. The Duke of Devonshire, chairman of the campaign, said yesterday, the growth in income did not match the continuing rise in research costs.

Currency offences cost near £1m. in fines

FINANCIAL TIMES REPORTER

FINES totalling nearly £1m. have been imposed on two men and their associated companies for breaches of the exchange control regulations relating to the currency premium.

The men involved are Mr. Peter de Roth and Mr. Vernon Davies. The companies are Metal Import (Overseas), First Marketing and Management, Metal Import Company and Continental and Overseas Exchange.

The defendants had pleaded guilty to the charges (after others had been withdrawn). The fines imposed in the City included £10,000 on each of three charges for Mr. de Roth and £1,000 on each of three charges for Mr. Davies.

fined £100,000 on each of three

Mr. de Roth was also given a suspended prison sentence. Metal Import (Overseas) was fined £100,000 on each of three charges, and the other companies each £100,000 on each of two charges.

Adverts 'keep prices down'

BY PAMELA JUDGE

"ADVERTISING is an essential part of industry's mechanism which helps to keep prices down, even though it has to be paid for," Lady Plowden, chairman of the Independent Broadcasting Authority said in London yesterday.

Lady Plowden, making her first major statement on the commercial side of broadcasting since taking over the chairmanship, told an Incorporated Society of British Advertisers' lunch that for industry to survive and thrive it must serve the public well.

"Like other industries independent broadcasting aims to thrive. It aims to make a profit to encourage investors."

Profit was needed to maintain the lot of those employed in the industry and to make better programmes.

The portrayal of industry on radio and TV programmes and all its facets was a very live issue in the IBA. The fact that the broadcasting industry aimed to make profits did not mean that it was "somehow tainted and doomed to produce programmes of less quality."

Nor did it mean an inevitable slant towards mass audiences. "It is more difficult to give choice to all tastes when ITV has only one channel."

In a reference to the U.K.'s system of controls over advertising, Lady Plowden said that the IBA looked for the reaction of the public to broadcast advertisements.

"Ordinary people who would think it out of proportion to undertake litigation can, for the cost of a postage stamp, have access to a responsible independent body willing to consider the complaint."

Earlier, at the annual meeting of the society, Mr. Hedley Greenborough, deputy chairman and managing director of Shell U.K., was elected president, succeeding Lord Robens.

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HOME NEWS

Midlands confidence continues to grow

By Midlands Correspondent

...SES IN U.K. steel prices ...trun the steep devalua... sterling and forced some ...s companies to increase prices, while others re... extreme difficulty in ...ing prices for imported ...ls while the pound was fluctuating.

...theless, there has been a ... export sales among Mid... to the end of last month ...ndustries in the three ...d with the previous ...

Only one in four com... ...s running at capacity, but ...ce is continuing to grow. ... results from the latest ...c survey by the West Mid... ...egional group of cham... commerce confirm that ...rovement is being sus... ...even though one in three ...es is still operating at un... ...ory rates.

...e other hand, one in five ...es is planning to increase ...ent in plant and ...ry and very few have re... ...tentions downwards.

...yment, too, is improving ...g to a Manpower report, ...hows that prospects in ...ham are better than ...e else in the region. ...9 per cent. of employers ...ecting to hold on to their ... and only 6 per cent. ... 16 per cent. the previous ... are contemplating re... ...ies.

...rticular, more employers ...ary industries are report... ... they will be increasing ...orces.

Rockwell makes £5m. assault on Eaton axles

ROCKWELL INTERNATIONAL Corp. of America is going to challenge the supremacy of Eaton Corp. in the two-speed truck rear axle market with a £5m. programme based on its U.K. factories.

Rockwell has made the U.K. factories the headquarters of its European automotive operations.

U.S.-made Rockwell two-speed axles have suffered a price and weight disadvantage compared with the Eaton products. But a new design, claimed to be technically superior in important respects, will be launched towards the end of the year on a world-wide basis from the U.K.

Rockwell intends to provide a highly competitive alternative to the Eaton two-speed axle to truck makers like General Motors (Bedford), Ford, British Leyland and their European counterparts, concentrating on the medium truck range.

Widely used

This range of 5-16 tonnes is the most widely used in industrial countries and generally spearheads exports to developing countries forming the nucleus of their own truck industries. A two-speed axle allied to a five-speed gear box provides great flexibility over a wide variety of territories.

Rockwell's decision to make the U.K. its base for a world-wide assault on this growing sector of the truck market is in part a recognition of developments in the three to four years since it took over John Thompson's operations at Bilston (Staffs.) and British Leyland's Maudslay axle plant at Alcester (Warcs.).

A £2m. investment has just been completed at Bilston. This primarily makes pressings and axle housings, chassis frames and other fabrications, including all Rolls-Royce chassis and a considerable slice of those for Volvo, Ford and British Leyland.

Increased

Axle housing production is being increased 50 per cent. Another £2m. is being spent at Alcester on the development of complete drive axle assemblies and the twin speed axle.

Direct exports from Rockwell-Maudsley, now about 5 per cent. of production, are planned to rise to 50 per cent. before 1980.

Mr. Hugh Bone, marketing director of Rockwell International, said last night, "Helped by the floating pound, we have found we can supply axles competitively with our U.S. company and have taken worthwhile contracts in Mexico, Australia and South Africa, previously supplied from Rockwell's U.S. factories."

The developments are expected to provide extra jobs at Bilston, where the labour force is 1,200, and at Alcester which has 800 employees.

The Rockwell parent has committed a further £1m. to develop facilities at the two plants in the next year.

Incentives for quieter airlines considered

By Michael Donne, Aerospace Correspondent

THE POSSIBILITY of providing some kind of financial encouragement to airlines to use quieter aircraft, especially at night, is being examined by the Department of Trade.

Mr. Stanley Clinton Davis, Parliamentary Under Secretary for Aviation, said yesterday that his Department was also discussing with the airlines various ways in which noise levels at airports could be reduced, such as by the early retirement of the older and noisier pets.

He told a luncheon meeting of the Airline Pilots Relations Officers' Association that the nupmber of infringements of the noise rules at Heathrow had risen over the past year.

"We hope to have the completed study shortly, and then we can all set about applying remedial measures."

He was optimistic about the long-term trend in reducing aircraft noise, as a result of the progressive introduction of quieter, subsonic jets. Already, the number of "noise certificated" aircraft using the airport represented 12 per cent. of the total, and this would increase steadily.

Rewards

"However, we cannot afford to ignore the older and noisier aircraft, and we are discussing with airlines ways in which the improvement in the noise environment might be accelerated, for example, through early retirement."

The Minister did not give further details of the financial incentive scheme, but it is believed that it could take several forms, such as the provision of grants to enable airlines to fit "hush kits," direct cash rewards to those airlines at the top of the "minimum noise" league-table, or the imposition of harsher penalties on airlines who break the rules.

Mr. Clinton Davies, in wade-ranging survey of U.K. civil aviation problems, stressed the need for a complete review of the Anglo-U.S. bilateral air services agreement (the so-called "Bermuda Agreement").

Felixstowe docks case delay plea refused

BRITISH Transport Docks ... yesterday failed to ... a three-day postpone... ... the High Court action ... making the Board drop ...port for the Bill to nationa... ... port of Felixstowe.

... hearing will begin on ... as planned said Lord ... the Lord Chief ...

Felixstowe Dock and ... Co.—now owned by ...an Ferries, which made ...essful counter-bid after ...s and shareholders in the ...mpany had agreed to a ...ith the Docks Board—is ...g that the take-over deal ...e Board is now void.

Simultaneous

...lso seeking an injunction ...ing the Board from con... ... to support the Bill, now ...Lords Committee stage.

... hearing before Lord ... is expected to take five ...

...ing for a postponement ...hearing until to-morrow, ...in Lightman, counsel for ...rd, said that it was un... ...e that the High Court ... should take place at the ...ne as the Lords proceed... ...ich were expected to end ...

...ames Comyn, for the port ... opposed any postpone... ... Instead, the Board ...sk for a short adjourn... ... the Lords' consideration ...Bill.

ICI, Rhone-Poulenc plan joint company

ICI AND Rhone-Poulenc, the French chemicals group, are to form a joint company to manufacture and market their existing range of rubber chemicals and to invest in new products.

The venture, in which each parent will hold a 50 per cent. stake, follows the completion of studies already known to have been in progress.

Subject to receiving the appropriate Government consents, the Boards of both companies intend to proceed with the necessary steps to set up the new separate venture, including discussions with the EEC Commission, over the next few months.

The new company would provide a strong base from which to invest in new plants and to compete in international markets on a world scale in the longer term, ICI said.

A separate and independent company for rubber chemicals would respond better to market demands than the two businesses existing separately.

The new company would be responsibl·efor its own marketing and selling, taking over the existing rubber chemical production assets of Rhone-Poulenc and ICI.

Its research programme would be geared to the future needs of the rubber industry and it was planned to introduce a number of new products.

The name of the company and a date for starting operations would be announced as soon as possible.

VAT 'endangers jobs in small businesses'

THOUSANDS OF jobs could be at stake in Britain's small businesses unless the Government raises the minimum level of turnover at which VAT is incurred, an MP said yesterday.

Mr. Leon Brittan (C., Cleveland and Whitby) has written to Mr. Robert Sheldon, Financial Secretary to the Treasury, urging him to raise the figure above the present £5,000.

Mr. Brittan quoted the case of a snack bar owner who had complained that because of inflation, with no increase in sales, his turnover was approaching £5,000.

"His dilemma is—should he stay open as long as at present and incur VAT, or reduce the hours of opening to avoid paying VAT and thus put his assistant's job at risk," Mr. Brittan said.

"This case vividly illustrates the fact that by making life more difficult for small businessmen, thousands of jobs are at stake.

"The Government sometimes seems to forget that small businesses are important employers and provide many jobs which would not otherwise exist."

Mr. Shinbei Konishi, President, Takeda Chemical Industries, Ltd.

Takeda Chemical Industries, Ltd.

Takeda 武田薬品工業株式会社

Report by Mr. Shinbei Konishi, President, for the financial year ended 31st March, 1976

The Japanese economy continued to suffer from severe business conditions during this period due to the low level of consumer spending, a decrease in private capital investment and increased unemployment, despite a series of financial and monetary measures taken by the government to counter the recession.

The Company faced a continuously difficult situation in its various business activities due to the decrease in demand: keener price competition and the cost increases resulting from plants operating at below capacity. Nevertheless, by the strenuous efforts of each division, total sales for this period amounted to ¥273.9 billion, an increase of ¥9.9 billion over the previous year. Net earnings were ¥7.3 billion, a decrease of about ¥1.6 billion compared to ¥8.9 billion in the previous year, which excludes a reversal of research and development and other reserves.

In the pharmaceuticals division, sales of proprietary drugs levelled off due to the decrease in consumer spending. However, among the pharmaceutical products for the medical profession, antibiotic preparations and anti-inflammatory enzyme preparations enjoyed increased demand, but the increment was very modest due to weak market conditions and the decrease in exports.

In the food division, the sales of various soft drinks saw fairly smooth growth in spite of the severe competition. Sales of seasonings and food additives also increased.

The market for industrial chemicals did not recover as expected but the demand for polyurethane resin and other synthetic resins gradually recovered and the overall sales of our industrial chemicals division increased by about 16%.

Sales of the agricultural chemicals division decreased due to destocking. The animal health product division enjoyed satisfactory sales supported by the gradual recovery of demand for veterinary drugs by cattle farmers.

Our exports declined substantially due to the world-wide recession and the resulting decrease in demand, although it recovered considerably in the latter part of the period. Our overseas subsidiaries continued to operate satisfactorily.

The Company exerted an effort to contain its investment in plant and no large investments were made during the period. The construction of plant for fermentation research and for production of synthetic penicillin and the Fukuoka Distribution Center proceeded smoothly.

The above report covers an outline of our business activities during the period. The general business environment is expected to remain severe and the Company may face many more difficulties. We are determined to make further efforts to improve all phases of our operations and to reinforce the foundations of the Company to meet the expected trend towards a low growth rate in the future.

We hope that you will continue to extend to us your generous support and cooperation.

Loch.

The quarterly report as of 31st March, 1976 of

Leveraged Capital Holdings N.V.

has been published and may be obtained from

PIERSON, HELDRING & PIERSON N.V.

Amsterdam, 's-Gravenhage, Haarlem and Rotterdam,

and

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Drivers warned to stay away from Heathrow

By Michael Donne, Aerospace Correspondent

MOTORISTS have been asked by the British Airports Authority to avoid using private cars at Heathrow Airport.

It said the hours between 7 a.m. and 1 p.m. on Fridays, Saturdays and Sundays until October would be especially difficult at the airport, which over 35,000 vehicles enter and leave each day.

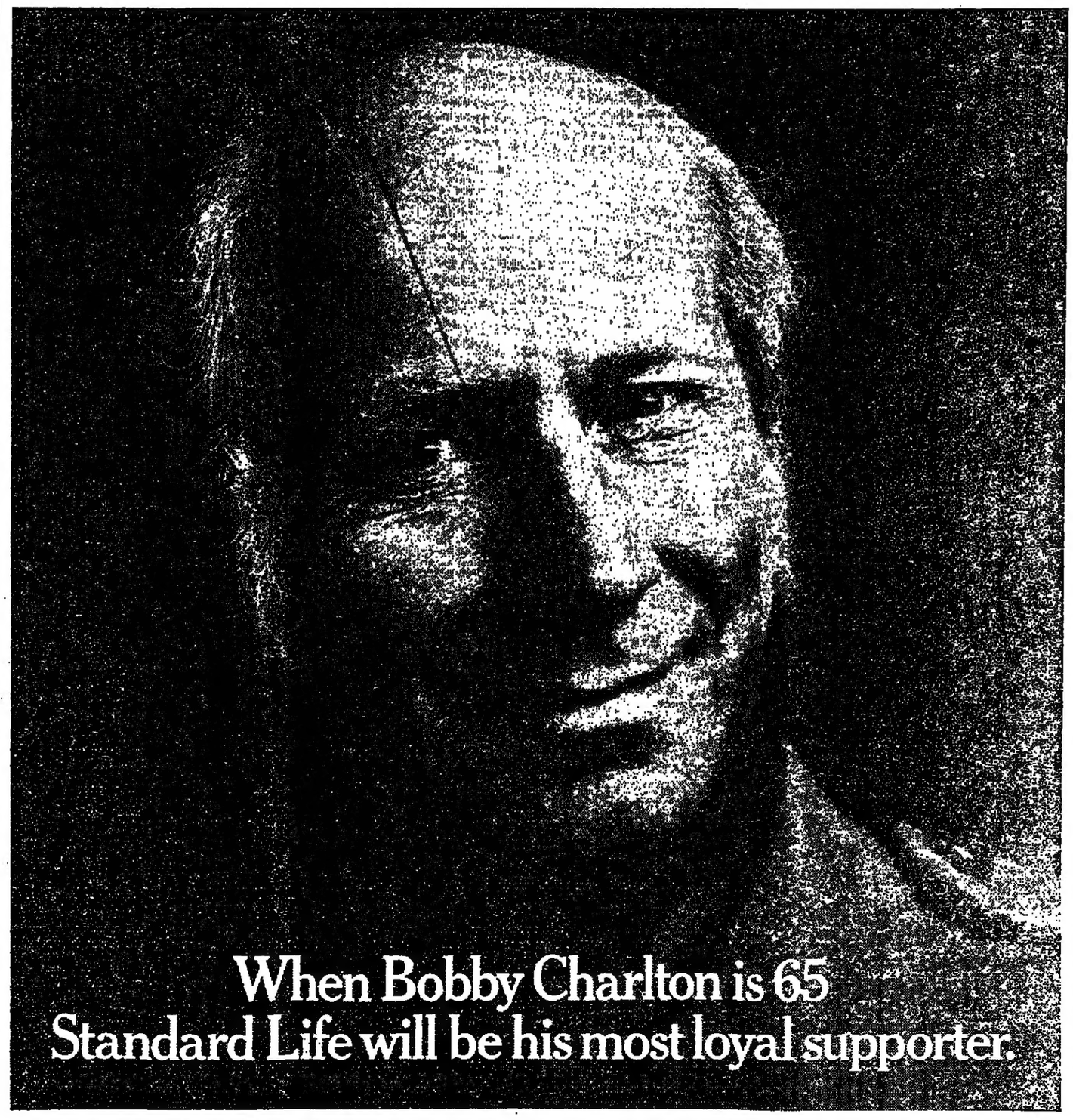
The pressures were caused by the continued improvements the roads works in the central area, especially the construction of the station for the Underground rail link, and by the increasing volume of passenger traffic, which has risen about 10 per cent. a month in last year.

While everything was being done to minimise the problem, breakdowns, road accidents, bad weather and other factors could cause long queues and delays.

Mr. K. B. Walter, the airport director, said yesterday Heathrow had never embarked on such a concentrated amount of redevelopment in its central terminal area as now under way.

"Anyone planning a journey to Heathrow can help in one of four ways: don't come during peak times to meet or say goodbye to passengers unless it is essential; use public transport where possible; if you must use your car, make sure that it is roadworthy and listen to road traffic advice on the radio and leave plenty of time; don't visit the airport as a spectator during week-end busy times unless you come by public transport."

Nearly 7½m. passengers will use Heathrow in the next three months. With their friends to number of people coming into the central area will be between 18m. and 20m.



Bobby Charlton has no intention of retiring when he's 65, but he'll be able to if ever he changes his mind. Because he's one of the 700,000 people insured with Standard Life, and has been for 8 years.

Provision for his future and his family's future are in the care of this famous Scottish company which has specialised purely in life assurance and pensions for 150 years.

So why don't you get on the winning side at Standard Life?

Then we can be your most loyal supporter too.

Standard Life

The largest mutual life assurance company in the European Community.

MONTEDISON

BALANCE SHEET FOR 1975

During 1975, MONTEDISON S.p.A., and the other principal members of the Group, have been adversely affected by the exceptional conditions which characterised the year. The reduction in overall revenue in combination with the recent rise in costs has involved MONTEDISON in a loss of 72.6 milliard Lire (£ 52.6m.) after depreciation of 161.3 milliard Lire (£ 116.8m.) applying normal allowances. The other major companies of the Group also closed the year with a loss.

The Annual General Meeting held on 22nd April in Milan, approved the accounts and considered the partial covering of the loss using previous profits of 24.1 milliard Lire (£ 17.5m.) and other resources, amounting to 28.8 milliard Lire (£ 20.9m.). The remaining loss equal to 19.7 milliard Lire (£ 14.3m.), was carried forward. The 1975 accounts are the result of several extraordinary and mutually opposing facts.

In the difficult state of affairs during 1975, MONTEDISON achieved a sales revenue of 1,889.6 milliard Lire (£ 1,368.3m), a reduction of 17.8 per cent compared with 1974. For the Group as a whole, the external sales total equalled 3,535 milliard Lire (£ 2,559.7m.), a drop of 12.2 per cent on 1974. In MONTEDISON S.p.A.'s field of activity the largest reductions of revenue were in basic chemical products and plastics materials. The Associates in the chemical sector operating in Italy, achieved similar unsatisfactory results. The foreign operating chemical companies did better. In particular the US company NOVAMONT, which produces polypropylene, was able to operate in a re-envigorated market. It achieved more positive results which confirmed its position on the US market. The Company has in progress an important programme of expansion in the setting up of a new polypropylene plant. In the USA, a new company, SWEDCAST, has been set up, 100 per cent controlled by the Group. It manages the acrylic sheet firm which MONTEDISON bought from the American company Swedlow, in order to obtain their advanced technology and research experience, in a sector of considerable interest for the Group's expansion in the technopolymer field. This company closed the year with a profit.

The Dutch company, CNA which operates in the nitrate fertiliser field, and which besides profiting from low cost raw materials, can count on high productivity, has recently been able to augment its sales, despite the international crisis. This firm also closed the year with excellent results.

The Spanish company, PAULAR in which MONTEDISON participates equally with the Spanish group, ENPETROL, after several difficult months saw a slight recovery towards the end of the year, and closed with a small profit.

In the **engineering sector**, TECNIMONT continued its activities with success. This company is involved in work of considerable importance, executing contracts in Italy and above all abroad.

In the **pharmaceutical sector**, the introduction of medicinal specialities which were favourably received by the market, contributed to the rise in sales.

The foreign companies operating in the **pharmaceutical sector** during 1975, increased their sales and on the whole broke even.

During the year, the re-organisation of these companies was started with a view to better co-ordination of the pharmaceutical sector abroad. Financial control was vested in the Swiss holding company SOPACO.

Associates in the **fibre and textile product sectors** had an extremely difficult year. The progress of MONTEFIBRE was particularly depressing, the present crisis coinciding with a period of re-structuring. Heavy losses were therefore recorded for 1975. The companies operating abroad in the **fibre sector** also had a poor year. MONTEFIBRE FRANCE in particular, closed 1975 with a heavy loss.

The **retail distribution** firms and particularly STANDA, felt the consumer crisis considerably. This made it impossible to cover the large increases in costs brought about by inevitable increase in wage and salary charges. Consequently, STANDA ran into heavy losses; amongst the companies of the STANDA Group, FIORUCCI had a profitable year.

The companies operating in the mechanical, electro-mechanical and electronic sectors, achieved higher sales revenue than in 1974, but the year, especially for MAGRINI GALILEO and IME, closed unprofitably.

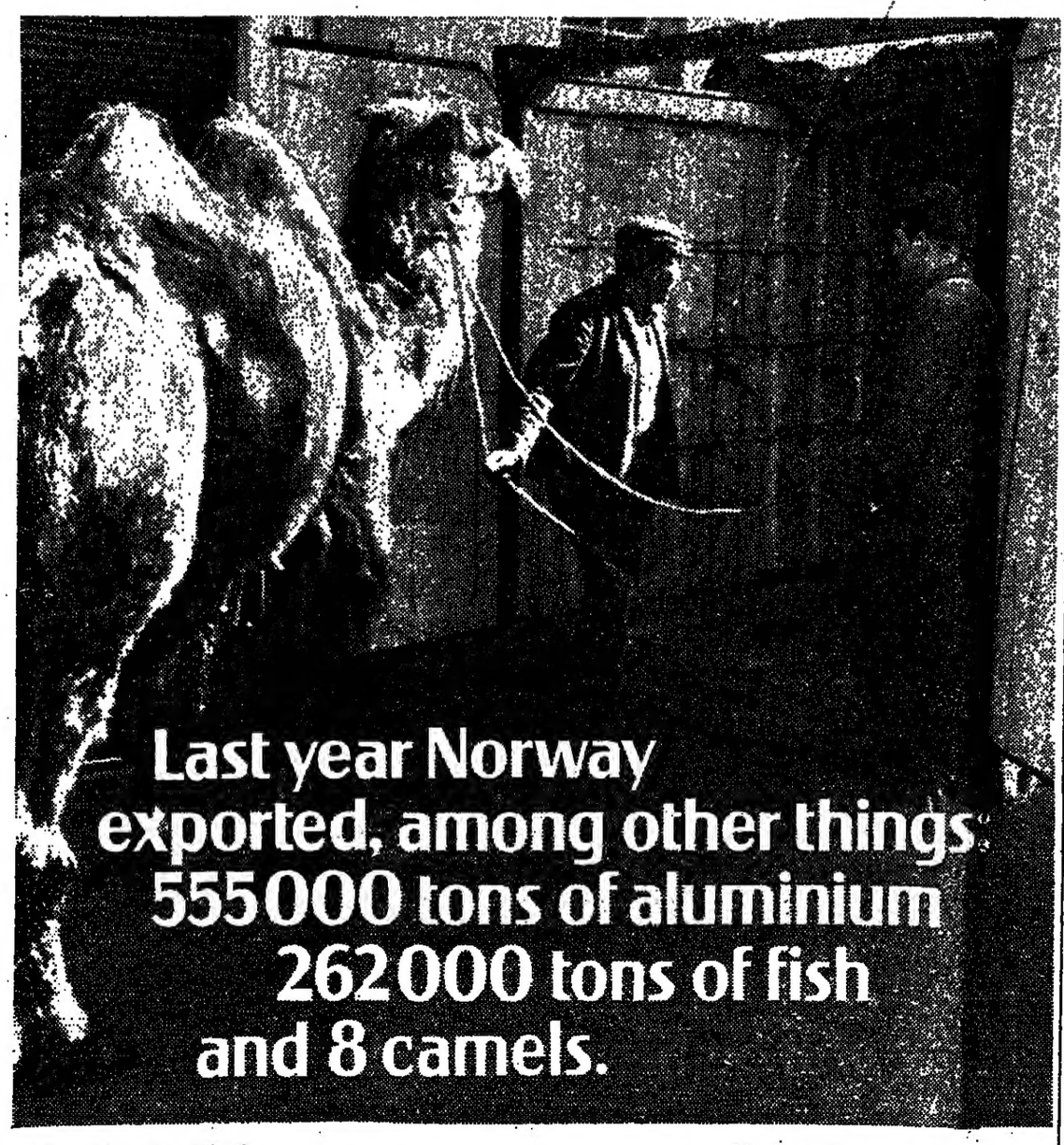
During 1975, for the medium term development programme, the Group undertook new investments totalling 619 milliard Lire (£ 448.2m.), 90 per cent of which was destined for the **chemical, pharmaceutical and fibre sectors.**

The Group's activity in the **Research and Development field** produced interesting results in 1975. On the basis of achievements in the catalysts area, an agreement for collaboration on polypropylene was reached with the Japanese company MITSUI PETROCHEMICAL, with which using also the experience built up by them in this sector, a new process has been derived which has already evoked wide interest among the producers of this polymer. Another agreement reached involves the granting to the Spanish company AIPSA, a licence for the original MONTEDISON process for the purification of pyrite cinders, the development of which will be conducted in collaboration with the companies McKEE and DORR OLIVER.

In his reply to the shareholders attending the Meeting, Sig. Cefis, President of the Group, after pointing out that the chemical sector also shows signs of improvement in demand in Italy, stated that the total turnover for the Group in the first three months of the year, are over 1.000 milliard Lire (£ 724.1m.), an increase of 24 per cent on the same period for the preceding years.

This improvement cannot however conceal the worries about several problems such as price control of fertilisers, pharmaceuticals and petrochemical products, labour costs, which are assuming a growing proportion of total costs, the need for re-structuring of the fibre sector, and lastly, the inadequate equity capital situation which MONTEDISON shares with the great majority of the other large companies in Italy.

The equivalent in sterling has been calculated at the exchange rate from Italian lire valid as at 31 December 1975.



How about that!
Camels, from Norway?
There are probably a few things you didn't know about the commercial side of the Land of the Midnight Sun.
But our International Department knows.
It's part of their job to know.
So if your customers ask you about the possibilities in Norway – you ask us.
And we'll tell you everything worth while.
– including camel possibilities.

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Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

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● **WORD PROCESSING**

Speed and quality cost less

FULL FIELD trials with a twin-position word processing unit created very largely with the burgeoning European market in view, are planned by Monotype, which intends to begin general marketing in February next year.

Allowing for the fully understandable enthusiasm of the developers who have spent a lot of time and money on translating into day to day business routines the strict disciplines of electronic typesetting, the Monotype 96 appears to be well ahead of the field, not only in speed, but also in the versatility it offers users—through the display with its extended character set, the use of floppy disc memory media, and the fast printer based on the company's own daisy wheel print head.

Character sets of 96, printed out at 500 words per minute on a Qume bidirectional printer give the machine its distinctive performance since it caters for all European language quirks — which few, if any, units from the immediate competition do. It will handle Arabic and most of the official languages of India.

It is here that one potential use for the machine comes in, since it will allow users to specify a standard answer storable in several European languages. This means that a secretary or a typist who need not know the language in which a letter has to be answered, can nevertheless produce a reply which is perfectly adequate to cover the case. In several European countries, where salaries of office staff are very much higher than they are in Britain, this is a facility which will undoubtedly sell many of these machines.

At the same time, the designers have set out to make the unit usable by a reasonably proficient typist who certainly does not have to be a computer operator. The unit is semi-automatic and prompts a user to do the job in the right sequence by query and answer.

This may sound a lengthy procedure, but it is in fact very fast and since a single "96" used in an office where 80 per cent. of the leters are one-offs and only 20 per cent. standard can do the work of four ordinary typing positions, this must indeed be so. The secret lies in the way in which the design ensures that only completely satisfactory work is printed out. All corrections, deletions, insertions, and justification take place at electronic speeds. Words to be hyphenated in the latter case are automatically presented for a decision on the break.

A four-position array works out at a cost of £5,300 per position or very considerably less than the nearest competition, and the two-position unit which is being got ready for field trials will still beat a stand-alone by a handsome margin. This is one of the reasons why potential major users such as Rolls-Royce and Plessey are very interested—but not the only reason.

The daisy-wheel technology referred to above has attracted a great deal of attention to the company's high-quality engineering. It is a fact that many U.S. users of these complex printing devices—that is, co make — are not p happy at performance. in tests on the full Monotype daisy wheel 400,000 impacts where peting unit broke af One of the secrets is t material used, anoth method of producti discrete characters ra by making a complete of the wheel.

The upshot of all t the company is able to wheels with special sets at considerably than competitors, all (it is thought) are o U.K. This has attr attention of a major group which could important outlet for t

Monotype is now la a development path allow it to harness m traditional skills of engineering, and latt tronics, to the so problems which are others who lack the breadth of experience

Monotype Corpora fords, Redhill RH1 5J 65959.

● **TEXTILES**

Move away from the foam back

IN THE couple of decades since it was first introduced to the carpet trade in Britain the tufted system of production has become the major method of making carpet throughout Europe and the machine builders are either American or British. Several possible alternative systems of manufacture have been suggested at various times but the actual growth of production capacities has almost entirely been based on tufting.

A number of developments have followed from this first stage. Originally almost all carpet was made on the ground fabric of hessian, but this has, to a great extent, been replaced either by woven polypropylene tape fabrics or by spun-bonded materials.

To escape the appearance of rubber backing many manufacturers applied a secondary backing of hessian to their products. This gave the products greater stability and more "body." Subsequently there was a major swing towards an in situ foam rubber backing which resulted in the underlay being effectively combined with the carpet.

The other major development in carpets was the production of printed fabrics. These were most frequently made with a low loop pile of nylon and the actual materials, although extremely tough, needed foam to give them sufficient apparent "body" to make a saleable item.

There is a reaction away from these foamed materials and now a new development has been announced by Donaghadee Carpets (Donaghadee, Co. Down, N. Ireland. Tel. 024 782 33331) part of the Carrington Viyella Group. The new backing is called Texbakt and it is now being patented in various carpet producing countries.

With this latest type backing it is possible to take the normal low pile weight printed carpet and improve its aesthetic appeal.

The first carpet to be launched with the new backing was the Pall Mall range and now, following its general acceptance by the trade, Donaghadee has introduced an up-market version called Crown Royale.

The Texbakt process involves the use of a specially woven polypropylene tape material which has much of the appearance of a conventionally woven carpet back, but between this and the carpet itself is a layer of foam so that, effectively, a sandwich laminate is produced.

In this way the carpet is given much greater substance and better visual appeal. In developing the new backing process, Donaghadee has accepted that many people prefer not to have a foam on the back of the carpet, but by creating this new type laminate the company has been able to "disguise" the foam content and at the same time offer certain advantages in the carpet which can be laid free or close fitted. It can be laid with or without underlay, as desired, and may even be laid on stairs.

Because the polypropylene backing is smooth, the carpet does not stick to any surface and can be easily adjusted when being laid. Foams offer a very high coefficient of friction.

● **COMPUTIN**

Speeding policy w

LLOYD'S of Lon formally sign the leading to a major tion of its computing at the end of this week

At an estimated £2 cost, the project will four years to carry th result in equipm methods which shoul for at least the next fif

The study on what take began in 1974 resulted in a decisio DEC 11-70 machine equipment basis. Th be installed in Staffor October and the se year, prior to the mov Policy Signing Office Lloyd's administrativ at Chatham.

The intention is to data entry over up to display units and it that use of this proc allow LPSO to provid faster policy processi to brokers.

Lloyd's, Lime Stree EC3M 7HA. 01-623 71

ICL bow scientists

BY TAKING the proc the larger 2980 ma using items from t 2970 system, ICL ha the 2976 which, tog a good deal of new the basis of a ne aimed at scientific, e and other large-scale applications.

Uses will occur w is a single massive for example, in orbit simulation in aerosp linear programming and steel industries industrial forecasting.

But the system expected to find universities and laboratories where m jobs are handled—anyt matrix handling to cu

The machine also fit the 80 and 70 in pric between £1,750,000 an

Of interest to users 2,900 machines is the announcement by ICL new pieces of software by agreement with burgh Regional Comput where they were developed, are the 2900 jobber, Fortran G com an Algol E compiler.

ICL, which expects per cent. of 2976 sales universities, with the to commercial and Go scientific or specialists has to date sold 26 of th 2970 models and eight bigger 2980.

● **METALWORKING**

Stiff knee copy mill

BY REMOVING the cross-slide movement from the knee to the overarm, Induma, of Milan, Italy, has produced a copy milling machine which is claimed to give a rigidity and metal removal rate approaching that of a fixed bed machine at a price comparable with a conventional knee type machine (under £20,000).

Called the FC/6, it has only two movements on the knee—longitudinal and vertical. The table is kept close to the column with a minimum of overhang, enabling the machine to take high table loadings—600 kg.

All three axes of movement are hydraulically actuated, powered from a free-standing pack. The machine may be automatically controlled by the feeler of the tracer unit following a template—the feeler can also be used to manually control table movement. Longitudinal travel is 700mm; cross 500mm; and vertical 120mm—a further 300m vertical movement can be obtained manually.

Driven by a 5hp motor, there are 16 spindle speeds in the range 50 to 2 500 rpm. The quill has 197mm travel, with either manual or automatic feed.

Available in the U.K. from RK International Machine Tools, Europa Trading Estate, Fraser Road, Erith, Kent. (01-304 8411.)

● **COMMUNICATION**

Finding the sources of radar

AT MULLARD Research Laboratories, a vehicle-based microwave receiving and signal processing system (MIRANDA) has been designed, for intercepting and analysing pulsed radar transmissions in the 1.5 to 16.5 GHz band.

The equipment has direction-finding facilities, records data on all radars detected and enables sources to be identified and located by correlating the information recorded from different receiver sites.

Microwave sensor equipment has two wide-band channels. One is omnidirectional and ensures that all signals above the threshold of the system are detected irrespective of their frequency and position. The other is fed from a narrow beam directional aerial which can be steered on to particular sources. Carrier frequency, duration and amplitude of all pulses received in both channels are determined digitally during the pulse dwell.

Frequency and direction of signals within the main directional beam are displayed in real time on a CRT. Signals outside this range are shown with frequency plotted against pulse duration and a signal can be selected for further analysis.

The strobed signal parameters are displayed on numerical indicators and can on demand be printed out on paper tape. Other signal characteristics noted by the operator can be added using a keyboard.

Field trials in very dense environments involving conventional, frequency agile, multi-frequency (simultaneously pulsed) and synchronised pulsed radars, and also CW communication links, have demonstrated that all signal types can be easily identified and analysed.

Philips Industries, 11-12 Hanover Square, London W1A 4QP. 01-499 9555.

● **PLASTICS**

Nylon can be blow moulded

AN ALL acrylic polymeric additive has been developed by Rohm and Haas in the U.S. It substantially increases the dry (as moulded) impact strength of nylon 6—and when it has been conditioned by absorbing 2½ per cent. water the impact strength is over twice that of polycarbonate.

Although this aspect of the development is important because it enhances the engineering applications of nylon 6, a characteristic of the new material which is likely to have considerable commercial implications is that nylon 6 with the additive (designated KR725) can be blow moulded. This has been almost impossible to carry out with unmodified nylon because, among other problems, the melt viscosity was too low to achieve satisfactory parisons.

British Industrial Plastics (a Turner and Newall company) has the exclusive licence to manufacture the new copolymer in the U.K. To be marketed as Beetle Nylon AC1, its price is about 20 per cent. higher than unmodified grades.

BIP says the new material, because of its high impact strength, is directly competitive with polycarbonate and glass reinforced thermoplastics.

It can be injection moulded (where the same strength can be achieved with less material), or profile extruded for items such as gear wheels. Blow moulded, the combined properties of impact strength, chemical resistance and low gas permeability makes the material suitable for petrol tanks, hazardous chemical containers and vandal proof components.

More details from BIP, PO Box 11, Tat Bank Road, Oldbury, Warley, West Midlands B69 4NF (021-552 1551) or Rohm and Haas (U.K.), 2 Mason's Avenue, Croydon, CR9 3NB (01-686 8844).

● **HEATING**

Mini-cooler is ready to market

WITH FINANCIAL support from the National Research Development Corporation (NRDC), a new cooling, or combined heating and cooling, system is being developed by Constant Air Systems of Harrow. A pilot plant has already been constructed which will enable a comprehensive test programme to be carried out.

This development is an extension to the Casaire high temperature, high velocity (HTHV) system developed by the company in 1972. NRDC support, at this stage, will ensure that development time for this next step will be substantially reduced.

The existing HTHV system is based on a direct-fired gas air heater with distribution of the hot air at high velocity through small insulated ducts serving venturi induction diffusers. The air heating plant is designed to operate with outputs ranging from ½m. BTU/hour (75 kW) to 10m. BTU/hour (2,950 kW) and with a net thermal efficiency of 100 per cent, and a modulation control of 25:1.

In operation, the venturi diffusers entrain air from the spaced to be heated, mix it with the hot primary air supply from the gas-fired heater and then direct the warmed air to produce a uniform temperature distribution througout the working space.

In the new cooling system the temperature of the cold primary air supply may be as low as 40 degrees F (5 degrees C) and this will allow the system, when compared with conventional systems, to operate with lower air flows in smaller vapour sealed ducting—thus reducing insulation costs.

In conventional systems, it is normally necessary to duplicate the ducting so that the air can be circulated back to the central plant. This duplication is not required with the Casaire high velocity, low temperature (HVLT) system, since the venturi diffusers effectively mix the re-circulated air with the cold primary air supply.

Patent protection for the system is being sought in the U.K. and 39 overseas countries and the company is now actively marketing complete cooling or heating and cooling systems, worldwide.

Further data from Casaire at Raeburn House, Northolt Road, Harrow, Middx. HA2 0DY, 01-864 0288.

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DEPARTMENT OF TRADE REPORT ..... By Keith Lewis

Strong criticism of Lonrho directors

LONG-AWAITED Department of Trade report into fairs of Lonrho, the mining and industrial group substantial African interests, contains criticisms of nber of principal directors and of joint auditors Marwick, Mitchell & Co. and Fuller Jenks Beecroft.

report, instigated by Mr. l Heath in May 1973 he was Prime Minister, dly refers to the excep- strong character of chief ve, Mr. R. W. "Tiny" d. The inspectors—Mr. Heyman, QC, and Sir Slimmings—conclude Lonrho as it is to-day is largely Mr. Rowland's n. He is a man who has negotiating ability,ination and personality sual measure coupled with ided energy to apply his "

go on to say that "Mr. d has a great deal to Lonrho and its share- but his achievements all the greater if he will is enthusiasms to operate the ordinary processes of ly management."

ord Duncan Sandys, the ors refer to the consul- rrangements and compen- of £130,000 paid to him o his acceptance of the chairmanship in 1972. tate that "his lack of ess was a factor in the of the Board as a whole rn of the arrangement ebruary, 1973.

consider, therefore, that rs a measure of respons- for the impact that the l discovery of this matter on the Board in 1973." report, in its references Angus Ogilvy, says he negligent in fulfilling his as a director of Lonrho extent that merits severe m." The inspectors are of the opinion that pective of any financial nship it would never have asy for Mr. Ogilvy to up to Mr. Rowland." It We accept that Mr. Row- a strong character and r. Ogilvy is not."

Chairman

lar criticisms are levelled Ball, who was chairman company from September, up until the Board recon- on in April, 1972 when he n the role of executive chairman.

particular the Inspectors o his failure to discharge ty as chairman in relation approval Mr. Rowland's l option rights in April.

go on to say that: "We that as chairman Mr. eserves severe criticism in his authority and al to the use of group for the development of ore partly for the benefit Rowland and partly for nefit of the family trusts shed for Mr. Ball himself Mr. Ogilvy without the ity and approval of the Board as a whole or olders."

report deals in detail with 's activities in Rhodesia ng the declaration of UDI Mr. Ogilvy's uncertainty ther he should resign.

ys that during the course ovember and December Mr. Ogilvy saw Sir Burke then Secretary of the t, and Sir Denis Greenhill, ermanent Under-Secretary, n and Commonwealth and he was advised by that he should consider Lonrho in consequence e rumours. Mr. Ogilvy did sh to leave Lonrho and on ber 19, 1969, he wrote a to Mr. Ball asking for assurances.

'Rumours'

he following day Mr. Ball l to this letter as follows: have received your letter e 19th and I must confess I was astonished that you, an Executive Director, ld have felt it necessary rite it. I need hardly say I have never hitherto ived a letter along these from any of the other ctors, nor, indeed, would I et to do so!

you know, I have given repeated assurances about various ill-founded and iful rumours which have circulating in the City elsewhere and it is ous that we are caught up the middle of a vicious ar campaign and it is ally obvious that there is little that we can do it except for each mem- of the Board to do his best to repair any age which may have been to the Company.

the meanwhile I really eel that we must now con- rate on the successful ning of the Company and ite far less valuable time orrying about these absurd ours.

Ogilvy accepted Mr. Ball's nces and remained an ive director of Lonrho, the goes on.

w weeks later in February, there was a meeting in nesburg at which Mr. nd, Mr. Butcher and pos- Mr. Ball were present, at Mr. Scheepers, Lonhro's istrative manager in South , was instructed to form th African company called Investments (Pty) which, to the necessary exchange l consents, was to acquire here.

company was duly formed bruary, 1970, but the South n exchange control authori- turned down the initial ation to acquire Nyaschere e grounds that they had undertakings to the Bank gland that they would not permit South Africa to be used as a vehicle for channelling funds from the U.K. to Rhodesia. This bjectin apparently did not apply if the funds emanated from countries other than the U.K.

In March, 1970, Mr. Rowland, Mr. Ball, Mr. Ogilvy and Mr. Butcher saw the manager and deputy manager of the London branch of the Canadian Imperial Bank of Commerce to arrange a loan for Yeoman Investments.

According to the records of the bank prepared at the time "the credit is required to activate the company and to make investments on its behalf. The investment immediately in mind is an unnamed South African mining company which has a copper mine in Rhodesia about to come into production and mining options in the Union of South Africa."

After some negotiation the bank agreed to advance Yeoman Investments $2m, and the advance was made in July, 1970, against security that included joint and several guarantees by Mr. Rowland, Mr. Ball and Mr. Ogilvy.

The funds borrowed from the bank were mainly applied in acquiring Mr. Rowland's interest in Nyaschere. Out of those funds the equivalent of R80,000 was sent from Switzerland to Lonrho South Africa to enable HCC Investments to obtain the exchange control consents needed to acquire Nyaschere; and out of the balance Mr. Rowland paid $260,000 to Mr. Bal land £60,000 to Mr. Ogilvy.

The payment to Mr. Ball was made in July 1970 and to Mr. Ogilvy in two amounts in July and October 1970.

On June 24, 1970 Lonrho took a seven year lease of a flat primarily for Mr. Ogilvy's use. Mr. Ball made arrangements for the Lonrho group to acquire a flat for himself at a cost of £110,000 the offer to the vendor being made on May 21, 1970 and the purchase being completed by by one of Lonrho's subsidiaries, AIT, on September 29, 1970 after Mr. Caldecott's resignation from the board of that company at Mr. Ball's request.

Trevor Humphries

Mr. Edward du Cann, director (left), and Dr. Khalil Osman Mahmoud, also a director of Lonrho, at a conference on the report.

Lord Duncan-Sandys (left) and Mr. "Tiny" Rowland.

The cost of Mr. Ball's flat of £110,000 was almost identical to the sterling equivalent of the $US260,000 which Mr. Rowland paid Mr. Ball in July 1970 — equivalent at the exchange rates then ruling to about £109,000—but according to Mr. Ball there was never at any time any intention that this su mshould be used to pay for his flat.

Sanctions

During 1970 hte development of Nyaschere's Shamrocke mine proceeded rapidly.

By September, 1970, the projected level of output had been raised from 20,000 short tons of ore per month and the capital commitment falling on the Lonrho group had been raised accordingly to Rh$5.1m.: the actual acounts advanuced by the Lonrho group to Nyaschere grew from Rh$1.080m. at September 30, 1970, to Rh$3.975m. at September 30, 1971, and to Rh$5.220m. at September 30, 1972.

Mr. Angus Ogilvy—another of the criticised directors.

The full extent of the sums advanced to Nyaschere was not known to the Lonrho Board as a whole since the Board had ceased to discuss Rhodesian matters formally in view of U.K. sanctions legislation but it was known to Mr. Rowland, Mr. Ball and Mr. Butcher.

A substantial part of the group's funds in Rhodesia used to develop Nyaschere was derived from Rhodesian Spinners and was made available for this purpose contrary to the undertaking given to the Bank of England by Mr. Ball through Warburgs in 1968 at the time at which Lonrho acquired control of Rhodesian Spinners.

The family settlements made on Mr. Ball and Mr. Ogilvy in March, 1968, gave them an interest in the Lonrho shares held by Mr. Rowland through Yeoman Investments; the arrangements relating to Nyaschere in 1970 extended their interests to the Shamrocke copper mine which the Lonrho group was financing; and the rapid development of the Shamrocke mine with the Lonrho group's funds added to the potential value of this interest.

Marriage

According to Mr. Ogilvy's evidence he was aware from the date of his marriage in 1963 onwards of the dangers to his reputation of remaining associated with a company which was deeply involved in the politics of both black and white Africa and he had considered resigning from Lonrho from time to time.

Mr. Ogilvy submitted a long memorandum to us setting out the occasions on which he contemplated resignation and the reasons why on each occasion he did not resign. We have summarised this memorandum as follows:

1—According to Mr. Ogilvy's memorandum he had considered resigning on his marriage in April, 1963, but had not done so on Mr. Harley Drayton's advice since he thought that Mr. Ogilvy would be open to criticism if he "ditched" all his old connections in consequence of his marriage.

2 He had considered resigning in December 1969 at the time of his correspondence with Mr. Ball over bribery and corruption and sanctions breaking but had not done so since he thought that his resignation would lend credence to the rumours that were in circulation.

3 In June 1970 he was invited to return to the Drayton group on a whole time basis and on July 14 1970 he agreed to do so. He did not resign immediately, however, since the Lonrho share price was weak and he thought that he would be "rocking the boat."

Thus he agreed to leave the timing of his resignation to Mr. Ball and Mr. Rowland. After considerable delay he ultimately decided to take "two bites at the cherry" and he resigned as an executive director on February 1, 1971 intending to resign entirely from the board on September 30 1971.

4 He considered threatening to resign in August 1971 if Mr. Rowland would not take steps to rectify the worsening financial position of the group but did thought it preferable to remain not in fact resign since he on the board until he returned from a trip that he was due to undertake to the U.S. at the end of September.

5 He considered resigning on September 15 1971 when "the board were informed that Rowland had in fact purchased the whole of Wankel. All we had authorised was the purchase of an option." He did not resign, however, for the same reason as in (4).

6 He considered resigning after Mr. Butcher's arrest at the end of September 1971 and again in October 1971 when the misleading circular relating to Wankel was issued to shareholders but did not do so since he thought it preferable to stay and ensure that Peats were brought in to investigate the affairs of the group.

7 He considered resigning early in 1972 when Peats' report was completed but did not do so since according to him Duncan-Sandys made it a condition of accepting the chairmanship that Mr. Ogilvy should remain until June 1972.

8 When June 1972 came the hearing in South Africa of the case against Mr. Butcher had bee postponed until July and Mr. Ogilvy thought it inappropriate to resign.

9 In August 1972 Mr. Ogilvy had further thoughts of resignation. Mr. Rowland visited him in hospital. According to Mr. Ogilvy's memoandum "he felt I had let him down, and if I resigned he would resign." After further discussions Mr. Ogilvy agreed to stay until the date of the next AGM.

10—Before the date of the AGM, however, the boardroom dispute broke out in public and on the advice of Mr. Lampard, his solicitor and alternate on the Lonrho Board, Mr. Ogilvy resigned from the Board on April 19, 1973.

Denial

In evidence, Lord Duncan-Sandys denied that he made it a condition of accepting the chairmanship of Lonrho that Mr. Ogilvy should remain a director until June 1972.

The inspectors state that the transactions that took place in 1970 must be seen against the background of Mr. Ogilvy's attempts to leave Lonrho. In November and December 1969 Mr. Ogilvy was advised by Sir Burke Trend and Sir Denis Greenhill that he should consider leaving Lonrho; in June 1970 he was invited to return to the Drayton companies on a whole time basis and on July 14, 1970, he agreed to do so leaving the timing of his resignation from the Board of Lonrho in Mr. Ball's and Mr. Rowland's hands; in February 1971 he resigned as an executive director of Lonrho but remained on the Board as a non-executive director.

Mr. Ogilvy's family trust obtained its interest in Nyaschere in July 1970 and Mr. Ogilvy was paid £60,000 by Mr. Rowland in two amounts on July 22 and October 7, 1970. Thus the financial relationship between Mr. Rowland, Mr. Ball and Mr. Ogilvy was being extended at the very time at which Mr. Ogilvy was attempting to leave Lonrho.

The inspectors say: "We have found no independent contemporaneous evidence which would indicate what Mr. Rowland's and Mr. Ogilvy's intentions were in 1970 in relation to the transactions that occurred around that time.

"There is subsequent evidence, however, which indicates that the payment of £60,000 by Mr. Rowland to Mr. Ogilvy in 1970 was a matter which caused great worry to Mr. Ogilvy. This evidence relates to the period immediately following Mr. Ogilvy's resignation from the Board of Lonrho on April 19, 1973, and to the period of our inquiry."

The report says the boardroom dispute came to ahead on the week-end of March 17/18, 1973. On the Sunday of that week-end there was a meeting at Hedsor Wharf to discuss a possible reconstruction of the board.

Before he arrived at the meeting Mr. Ogilvy had received a telephone message indicating that while the meeting at Hedsor Wharf was in progress Sir Basil Smallpeice was seeking the support of many of the remaining directors to a proposal to remove Mr. Rowland from executive office.

Crucial

In the counting of heads which followed, Mr. Ogilvy's position was of crucial importance, the report says. According to Mr. Rowland he asked Mr. Ogilvy at the Hedsor Wharf meeting whether he could count on Mr. Ogilvy's support and according to Mr. Rowland's evidence which is supported by other directors present at the meeting Mr. Ogilvy indicated that Mr. Rowland could count on his support.

According to Mr. Ogilvy's evidence he prevaricated. Whatever Mr. Ogilvy may have said, he in fact resigned from the Lonrho board four weeks later on April 19, 1973 and Mr. Rowland was deprived of his support.

In his account of events Mr. Rowland said "Duncan Sandys walked into my room and looked most upset, understandably, and said 'Tiny, I have very grave news for you.'

"So I said 'It cannot be all that bad, we have had plenty of bad news. What is the disaster now?' So he said 'Angus has resigned and I have his letter of resignation.' SRo I said 'I cannot believe it, Duncan, that he would do this to me.'

'Upset'

So he said "Well, believe it or not you can see the letter of resignation." He walked back into Alan (sic) and he said that he wanted to be alone with Alan.

I was very upset because that changed the picture largely, so I waited for a quarter of an hour because I was recovering from this blow which I was not expecting, and I then walked into Alan's room and Alan said "Duncan is in the Boardroom, he is resigning."

"I walked into the Boardroom and there was Duncan Sandys with Christine Downes, dictating a letter of resignation. I said 'Duncan, before you sign this letter, just before you do, do you mind if we ask Christine Downes to go and to leave the room?'

"So he said 'No, but I am going away. I have got to do this. It is the end, Tiny. I am afraid.' So I said to Duncan 'Let me make one thing crystal clear, Duncan. If you are resigning because of Angus's letter, if you feel that it is now eight to seven and you want to weaken my position further by making it eight to six and Edward making it eight to five, and Tom Prentice making it eight to four, I would like you to know one thing.

'Pressure'

"'If you felt that—because it is 12 against four against me, I have got an injunction and I am allowed to turn up in court on May 4—I would want you to know this, that if there were 15 resignations, or 15 names on a resolution to discharge me I will still go into open court, and whatever charges 15 people bring against me I will appear, because that is something nobody can take away from me.

"'So if this is a case of avoiding publicity your resignation which you said you were about to give to me will not stop publicity, because in open court I would defend myself. I have nothing to be ashamed of. If you think that I have spent my entire life with Lonrho all these years and then find that people . . . "like the various people—" . . . kick me out, to take me over, you have got the wrong man. If they can prove 20 murders and they have got photographs . . ."

"I remember saying that to Duncan Sandys—'and they stage these murders for me, on May 4 if I am alive I will appear in Court. So if you sign that letter this does not in any way stop me from going to Court.'"

So, he said, "Are you putting pressure on me?" I said "I am putting no pressure on you at all, but as it is Easter I think you ought to think about it before you actually sign the letter of resignation, because the publicity of Angus's resignation will be bad enough but yours, obviously, will mean statements over the week-end which I am prepared to make, and I will have to say why we are having this argument."

So he said to me "Wait a moment." He walked up the passage where Wilkinson and Gerald Percy were waiting, and that is why I feel there was a degree of conspiracy.

He spent about half an hour with Wilkinson and Gerald Percy, then came back into my room, closed the door and said to me "Tiny, I will think about it this week-end, but in the meantime I will not resign."

Now, why I mention this is because when I saw Angus just before I started writing him these letters and he used to ring me once a week or once every five days and say "Look, anybody with you?" and "How are things?" and so forth, until very recently—I know that his resignation was timed to give me the coup de grace, and he told me this, when I said to him finally, when I took him home the other night, "Why Angus? Why?" and because my wife, I told you, at one o'clock, two o'clock in the morning when I asked Angus in front of her (and she is a very simple girl), he said "Well, I thought it would be in everybody's interests if there were no proceedings in Court."

'Get out'

My wife said: "But Tiny will be dismissed. We would have to leave England and he would be totally discredited."

So he said "Yes, but in everybody's interest I think." So she said "I do not want you to come back to this flat ever, Angus. Get out."

Angus and I then stayed on, he had a brandy and I had a brandy, I think for an hour and a half or two, and then we went downstairs and walked round the block two or three times looking for a taxi and there was not a taxi, and I had left my car on the forecourt, and I drove him back.

I said to him: "When did you, why did you resign, Angus? Tell me," and he said: "Because I thought that by my resigning lou would resign and that would mean no publicity at all."

You have got it on record now, and that is why I say—this is why I have given you that letter, because it was in his interest, understandably: I am not married the way tht Angus is and, therefore, publicity, bad as it was at the time and worse as it would have been had Gerald Percy won, if the injunction had not been granted to me, but I was prepared to take everything, for one reason, Mr. Heyman, because I had nothing to be ashamed of. Nothing!

And I did not care what they flung at me I was perfectly happy—well, not perfectly happy, but I was perfectly prepared to stand in Court with 1,000 affidavits."

Option rights

A number of exchanges took place between Mr. Ogilvy and Mr. Rowland. The inspectors write that "we believe that matters which caused Mr. Ogilvy so much worry after his resignation must have caused him worry beforehand and we believe that Mr. Ogilvy was not as free to act independently of Mr. Rowland as he would have been if the financial relationship between Mr. Rowland and Mr. Ogilvy had never existed.

The report is critical of Mr. Rowland's improved option rights.

"In our opinion there was no justification for improving the option terms in Mr. Rowland's favour in the manner in which they were improved in April 1968 and we think that Mr. Rowland was at fault in obtaining such an improvement in his option terms without the matter being put fairly to shareholders.

"In our view Mr. Rowland acted improperly in failing to disclose at all relevant times the indications that he had given to Mr. Ball and Mr. Ogilvy concerning the participations in the option rights that he had held out to them and we think that his conduct in this respect merits severe criticism.

"From 1971 onwards Mr. Rowland's personal accounts with Lonrho became increasingly overdrawn. By September 30, 1974 Mr. Rowland owed Lonrho £306,627 on his personal accounts with Lonrho. The Board invited Mr. Rowland to submit an expense claim. I nour view this claim which totalled £307,471 was prepared on a basis inconsistent with the facts."

Mines

On the subject of U.K. sanctions legislation, the inspectors observe that "it is our opinion that Mr. Rowland was at times indicated more closely involved in matters relating to financing and in consequence the development of the Inyati and Shamrocke copper mines in Rhodesia than was consistent with the terms of U.K. sanctions legislation."

Severe criticism is levelled at previous chairman Mr. Ball for lending his authority and approval to the use of group funds for the development of Nyaschere partly for the benefit of Mr. Rowland and partly for the benefit of the family trusts established for Mr. Ball himself and Mr. Ogilvy without the authority and approval of the Lonrho Board as a whole or shareholders." The believe that the financial relationship that developed between himself and Mr. Rowland "sapped his independence."

Criticism of Mr. Ogilvy is perhaps more severe: "In our view Mr. Ogilvy's conduct as a director in either supporting or recommending or acquiescing in these actions without disclosing the interest that he was expecting to derive therefrom was improper and merits severe criticism."

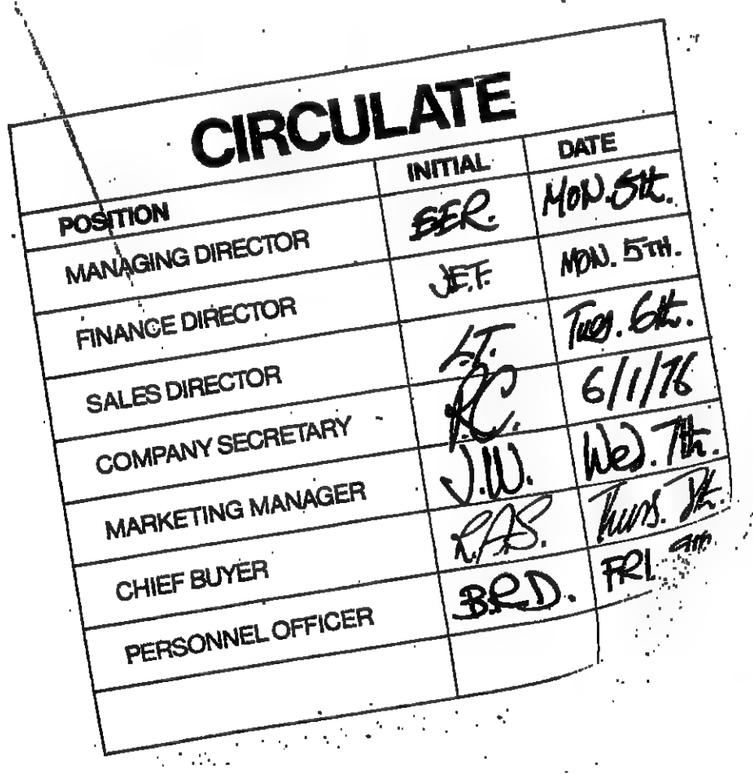
It is also said that Mr. Ogilvy sought to disclaim any responsibility for Rhodesian matters. Mr. Ogilvy "was negligent in fulfilling his duties as a director of Lonrho to an extent that merits severe criticism."

Blame for authorising Mr. Rowland's "unlawful loan accounts" was directed at chairman Lord Duncan-Sandys and the finance director Mr. West. "In our opinion neither discharged his duty and both attempted to shuffle their responsibility on to others," the inspectors have said.

The inspectors in their conclusion said it would be quite wrong to not acknowledge Mr. Rowland's achievements. In his evidence to one of the inspectors, Mr. Rowland, in referring to Lonrho, said that "You see, Mr. Heyman, the past, and I have got an idea what the future could be depending on whether you want to kill ti. But, by God, it has got one thing, and that is it has got a protector and that is me

"In other words, anybody who wants to kill that company has got to have a sub-machine gun, mortars, guns, all sort of ammunitonl, because I am going to protect it to the bitter end. Believe me, Mr. Heyman, in me you have got somebody you have got to fight when it comes to Lonrho."

Department of Trade—Lonrho Limited. Investigation under Section 165 (b) of the Companies Act 1948. Report, Stationery Office. £13.20.



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PARLIAMENT

Lords seek ways to streamline their work

By John Hunt

THE HOUSE of Lords has agreed to set up a Select Committee to consider ways of streamlining its practices and procedure and to make recommendations for the more effective performance of its functions.

The agreemnt was reached between the two Front Benches in the Lords yesterday as a further attack on the Upper House was made in the Commons.

Mr. James Callaghan told MPs: "I have never felt that the House of Lords was truly representative of the fine flower of democracy in this country."

The Prime Minister said he would be ready to consider any proposal to abolish the House of Lords but, at the same time, he was not proposing that such an attempt be made.

He recalled that in 1968 he had been badly stung when he attempted such a reform and said that he would be rather more careful before making the attempt again. Given the history of this country he thought there was a place for a second chamber.

The Select Committee on Lords Procedure will run parallel to the one now sitting on the Commons. It is likely to take about 18 months to report and will hold a meeting before the summer recess.

Among the items likely to be considered are the dates when the House sits. At the moment it always rises by the beginning of August, a custom which stems from the time when peers were predominantly agricultural and had to be back on their estates for the harvest.

Some kind of pre-legislation scrutiny will also be discussed. The feeling is that peers should have a chance to give their views about the form a Bill should take before a final version is drawn up for presentation to the House.

The method of procedure on Private Bills will also come up.

The committee will not be concerned with overall reform of the Lords. The powers of the Upper House and its relationship with the Commons will not be within its terms of reference.

Selby coalfield gets go-ahead

By Roy Hodson

THE recently-discovered Selby coalfield in Yorkshire is to become one of the world's biggest coal mines, at a cost of £400m., Mr. Anthony Wedgwood Benn, Energy Secretary, told the Commons yesterday.

Selby, one of the richest coalfields discovered in Britain, may eventually be followed by another new coalfield in Nottinghamshire which the NCB has found.

Government financial approval for Selby means that the National Coal Board can begin to build a modern mine complex with five pairs of shafts.

It is estimated that there are at least 400m. tonnes of recoverable coal, giving the pit a life of some 40 years at an annual production of 10m. tonnes. The total labour force will be about 4,000.

Selby is expected to be achieving full production about nine years from now. By that time, it is expected that the Central Electricity Generating Board will have built a second 2,000 megawatt power station on top of the coalfield and alongside the existing Drax station.

The whole investment will add up to a power generation complex providing 5 per cent. of all Britain's neds from indigenous fuel.

Healey expects fall in unemployment

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

INCREASED INDUSTRIAL production and growth, expanding exports and the prospect of unemployment coming down to 3 per cent. in 1979 were underlined by Mr. Denis Healey, Chancellor of the Exchequer, in a buoyant account of economic recovery with which he opened two days of debate in the Commons on Government policy.

Deriding the Tories for what he called the "sullen and grudging support" they gave to the pay agreement with the unions, Mr. Healey also felt able to assure his public expenditure critics on the Labour side that unemployment should be falling before the end of this year.

Already, it was lower than pessimists had been predicting last year, he maintained, and—ridiculing interruptions from the Tory benches—he went on to assert that the public sector borrowing requirement would be somewhat lower than the £12bn. he had forecast in his Budget.

On the other hand, the increase in commodity prices had come somewhat sooner than expected—and more sharply. It meant that the 10 per cent. rate of inflation would not arrive quite so soon as had been hoped.

Control

Nevertheless, the year-by-year increase in the retail price index should still be down to the levels experienced internationally by the end of 1977.

And the Chancellor gave the further assurance that if it became clear that the growth in the money supply needed restraining, appropriate action would be taken at the appropriate time.

But Mr. Healey took credit to himself for having kept the money supply under "strict control" ever since he had become Chancellor.

In this and in other policies, he contrasted his effort with those of the Tories when in office, deriding them for what he considered to be failure not only when they were in Government but also in Opposition.

He accused Sir Geoffrey Howe, shadow Chancellor, of "windy rhetoric" and the use of "slapdoodle" arguments, and he urged the Tories to join wit hthe CBI in the warm welcome it had given to the pay policy.

By the time Mr. Healey had finished, Tory front-benchers were seething with indignation, and Sir Geoffrey was cheered when he charged the Chancellor with "offensive claptrap."

Sir Geoffrey declared. "He has told the House precisely nothing."

Certainly, Mr. Healey appeared to have chosen to challenge the Opposition to a rumbustuous political bout, rather than pave the way for the sober examination by both sides of the course the economy was taking.

He was challenged by Mr. Nigel Lawson (C. Llaby) to say how much of the stand-by credit had been used.

Mr. Healey replied "I could tell you, but I shan't."

Mr. Kenneth Baker (C. St. Marylebone) said: "Unless you come clean and say how much you have used you may in fact be repreciating the estimate of the value of sterling overseas."

Mr. Healey replied: "If you really believe that, I advise you to look at the course sterling has followed in the last ten days.

"When I was asked two weeks ago if we had drawn, I said 'no.' We have drawn since then by I shall not tell the House by how much."

Mr. Healey said that the most important aspect of the agreement with the unions was that Britain would be one of the few countries in the world which could look forward to a rapid rate of economic recovery over the next 18 months.

The rate of inflation in Britain was coming down while it was rising in the rst of the European Community, although there was some way to go before our rate was down to 13 per cent.—the average rate of inflation for the EEC.

But the Chancellor added: "I would not be surprised to find that the rate of inflation in other countries will move past our in the coming winter."

The official index of industrial production had risen faster than expected in recent months. The CBI took the view that a rapid recovery was in progress.

Exports

Exports were also growing faster than expected and unemployment should be lower. The public sector borrowing requirement should also be less than the amount forecast in the Budget.

Growth was faster and was consistent with getting unemployment down to 3 per cent. in 1979. To maintain this progress would require removing industry's on monetary policy to make sure it did not fuel inflation.

Mr. Healey said the most important factor in reducing bottlenecks in industry was the maintenance of a steady flow of supplies. This had been achieved by a dramatic fall in the number of days lost through industrial disputes.

"The increase in gross domestic product over the coming year is likely to be 5 per cent. as opposed to the 4 per cent. forecast in the budget. The increase in industrial output should be 9 per cent as against the 8 per cent. in the Budget."

Mr. Healey said the previous Tory Government's handling of the nationalised industries and their profligacy over the money supply, had been a major cause of the inflation with which the Labour Government had been wrestling for the last two to three years.

He claimed the Tories had lost the power to excite even the most feeble interest in their activities. They seemed to want some of the popularity of the pay policy without saying they agreed with it.

Need to rein back accepted, says PM

THE PRIME MINISTER took a firm line in the Commons yesterday over the Government's plans for further extensive cuts in public expenditure next year in addition to those already announced in the February review.

Mr. Calaghan thought the British people would understand the need to "rein back for a year or so."

Again, he stongly emphasised the need for British companies to ensure that their investment overseas was not made at the expense of their activities at home. He also urged companies to repatriate overseas profits to the U.K. as far as possible.

On the domestic front, he indicated that at to-day's meeting of the NEDC, he would be asking the CBI to ensure that the bigger investment relief given in the revised Price Code was genuinely spent on new plant and machinery.

During the exchanges, the Government's proposals for expenditure cuts came in for surprisingly little criticism from Labour Left wingers.

Mrs. Barbara Castle, former Social Services Secretary, argued that continual chopping and changing in spending plans was demoralising and wasteful. She wanted to know exactly what had taken place since last February 8 to make the Government throw its plans out of the window.

The Prime Minister told her bluntly that in considering public expenditure, Governments had fallen into the error of examining major increases in terms of the resources required instead of looking also at the level of financing required.

"It is this correction that has to be made at the present time," he said. Nothing had changed about the Government's expenditure plans for 1978-79. It was next year's public expenditure that was under consideration.

Mr. Ron Thomas (Lab., Bristol N.W) said that British investment allowances and other aids for "so-called innovating "so-called etaoin etaoi etaoin n entrepreneurs" were the most generous of any industrialised nation. Yet our companies failed to invest in Britain while still pouring out "thousands of millions of pounds" for investment overseas.

The Prime Minister replied that he thought it worth investigating to what extent British companies with direc investment overseas needed to maintain their level of investment or to maintain their profits abroad.

"This is a matter I have been looking into very carefully. "Necessarily, there is a very high level of investment overseas. But we ought to make certain that it is profitable investment and that profits are remitted back as far as possible after the investment takes place," he added.

Profits

On domestic investment, he said it was true that the Government and its predecessors had found that giving additional allowances had not encouraged investment to the degree that was expected. The National Enterprise Board was trying to help by the schemes it was producing.

The Government was very concerned to ensure that adequate profitability and liquidity were maintained. This was essential if we were to succeed.

Mr. Eric Heffer (Lab., Walton) asked what specific steps would be taken if the companies receiving investment relief did not actually invest.

Mr. Callaghan agreed that this was an important question on which he would be seeking the advice of the CBI at the NEDC meeting. Lord Watkinson, president, had already made it clear that the CBI wanted to encourage member companies to undertake a higher level of investment.

If this did not succeed, Mr. Callaghan said, then the Government would have to wait for the moment. He could not forecast what would happen.

Sir Geoffrey clashes with Left

SIR GEOFFREY HOWE, shadow Chancellor, said the present Parliament had heard some disgraceful speeches from Mr. Healey, but he had reached a new low.

"The Chancellor has told us precisely nothing. One can only reach the conclusion that there must be all sorts of strange developments in the Cabinet and the Treasury which made it impossible for him to tell us anything further."

Sir Geoffrey tangled with Labour Left-wingers and there were angry scenes when he suggested that some of them "wanted to go beyond the Iron Curtain" for an economic system.

Mr. Eric Heffer (Lab., Walton) demanded that Sir Geoffrey withdraw the comment, which he described as a "smear."

Mr. John Mendelson (Lab., Penistone) repeatedly challenged Sir Geoffrey, and the clash intensified amid shouts of "Dirty coward" and "yellow coward."

Mr. Brian Sedgemore (Lab., Luton West) told Sir Geoffrey to "come out of the gutter, wash your mouth out and have a bath."

Sir Geoffrey did not withdraw, but said he had formed his views partly in the light of the scenes during the controversial vote on the Bill to nationalise the aircraft and shipbuilding industries when "The chamber was filed with a choral rendering of the Red Flag."

Sir Geoffrey spoke of Mr. Healey's Marxist past—he was once a member of the Communist Party—and suggested that sometimes Mr. Healey's conversion seemed "only skin deep."

This prompted Mr. Mendelson to comment: "No one is safe from your smears."

Sir Geoffrey said Mr. Healey had talked of the divisions in the Tory ranks but the Labour party was increasingly becoming two parties.

Mr. Healey said that he would never be able to carry with him the half of the Labour Party dedicated to the overthrow and destruction of the mixed economy.

But Sir Geoffrey said he was encouraged that the Chancellor now admitted that inflation destroyed jobs, that profits were important to prosperity, that price control was damaging profits, and that the nation had reached its tax capacity.

Sir Geoffrey accepted the need for a pay policy in the present circumstances but warned that it would not cure inflation. It would, in the end, make the cure far harder and divert attention from the really essential policies.

The present policy was causing distortion and damage and it was going to be difficult for the Government to emerge from it next summer. "Differentials will be bursting to resume their normal pattern," he said. There was "a nightmare legacy of resentment crying out for relief."

Sir Geoffrey added: "The price so far paid for this policy has been too high."

"Government spending had remained too high, taxation had remained at an intolerable level, price and dividend control had been maintained with undue rigidity, and a whole raft of unwanted legislation had been thrust through Parliament."

Callaghan glad to see hostages safe

THE PRIME MINISTER yesterday expressed the "full delight and appreciation" of the Commons at the release of Israeli hostages from Entebbe Airport.

But he went on to warn htat Parliament should not embroil itself any further in the issue at present.

Mr. Callaghan made the comments after hearing praise from Conservative backbenchers for the Israeli commando raid on Entebbe.

Mr. Kenneth Baker (C., St. Marylebone) said that the Israeli Government's action over the week-end had sought to establish the primacy of the rule of law over a political movement that sought to obtain its ends through "murder and piracy."

Mr. Callaghan welcomed the fact that the hostages' lives had been saved and that he hi-jacking attempt had failed. "But I do not think it is necessary to embroil ourselves any further than that at present."

Mr. Winston Churchill (C. Stretford) urged him to tell the U.N. Secretary General that most people in this country believed that the Israelis, by their daring and courageous action, had contributed more to the maintenance and upholding of law and order internationally than the Secretary-General during his entire tenure of office.

Mr. Callaghan replied that he saw no advantage in trying to "play off" the Israeli Government against the Secretary General or seeking to attempt to make him (Mr. Callaghan) deliver judgments on this.

Mr. Callaghan said that as time went on, there would be consequences that had not yet been foreseen. "We should reserve judgment on this while expressing our full delight and appreciation at the fact that many hostages' lives were saved and the hijacking attempt of the terrorists, which we all deplore and condemn, failed."

The Secretary General had acted as a good friend to both sides in the Middle East dispute. "I do not think that on one occasion he should be publicly rebuked from this Despatch Box or the Commons."

Later, the Speaker, Mr. George Thomas, rejected an application by Mr. Hugh Fraser (C. Stafford and Stone) for an emergency debate on the Entebbe affair.

Mr. Fraser said MPs were amazed that there had been no Government statement. Members on both sides had signed motions congratulating the Israeli Government and condemning those who condoned terrorism and piracy.

"There is no doubt that unless there is international action on these matters, terrorism, far from being repressed, will increase," said Mr. Fraser.

Du Cann argues right to defend Lonrho

THE LONRHO report has been referred to the Director of Public Prosecutions, who has asked the police for assistance, Mr. Sam Silkin, Attorney General, told MPs in a Commons written reply yesterday.

Mr. Silkin said: "It would be wrong, however, to attach any special significance to these facts."

He told Mr. Neville Sandelson (Lab., Hayes and Harlington): "It is the frequent practice in the case of a complex Department of Trade inquiry for the Secretary of State to pass a copy of the inspectors' report to the Director to enable him to consider whether or not any action is called for by him."

Mr. Silkin: "If the Director considers that further information is required, it is usual for him to request the police to carry out an investigation since his Department has no facilities for making inquiries.

"In this case, this course has been followed and the police have been requested to investigate certain specific matters arising out of the report."

Later, during brief Commons exchanges, Mr. Edward du Cann (C., Taunton), chairman of the 1922 Committee and a Lonrho director for four years, defended his action in giving extracts from the report at a Press conference the previous day.

There were shouts from the Labour benches as he reminded MPs that the report was not a Parliamentary paper and so no privilege question arose.

Proposals on Secrets Act reform

THE GOVERNMENT will be putting proposals forward to make the Official Secrets Act less restrictive and more effective, Mr. James Callaghan, Prime Minister, told the Commons yesterday.

Mr. Callaghan was replying to Mr. Robin Corbett (Lab., Hemel Hempstead) who asked whether, when the Prime Minister said last week that he was having a change of mind about the Act, he had meant that he would be making it less restrictive or more effective.

Mr. Corbett asked: "Would you consider introducing a Bill of Rights to make it easier for a citizen to get redress when freedoms are infringed?"

Mr. Callaghan: "I did mean making it less restrictive, but it follows that you can at the same time make it more effective."

He added: "I notice a number of newspapers are doubting my bona fides—I am usually misunderstood in these matters—but it was the result of experience which led me to the conclusion that, although, on the whole, I would have preferred to have left the Official Secrets Act untouched, I think the time has come to move in that direction and the Government will have to bring these proposals forward.

"As to a Bill of Rights, the consultative document published recently has a very interesting and careful analysis of the proposals both for and against a Bill of Rights."

Autumn Islamic Sales

Ethel Mortlake, Portrait of Muzaffar Ud-Din Shah, (detail), signed, inscribed in Persian and dated 1900, 142 by 120 m., sold on 13th April, 1976 for £6,400

The closing date for consignment of property to the next specialised series of Islamic Sales is 1st September, 1976.

These sales will include Islamic antiquities, metalwork, ceramics, enamels, arms and armour, Oriental manuscripts, miniatures, carpets, textiles, lacquer and European paintings, drawings, prints, photographs and books on Islamic subjects.

Sotheby's Islamic Week of five sales from 12th to 14th April, totalled more than £1,300,000

Enquiries should be made to Andrew Festing for Paintings and James Miller for Prints.

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LABOUR NEWS

Union calls talks to-day on bread strike threat

BY IAN HARGREAVES, LABOUR STAFF

TOP-LEVEL talks will be held to-day in attempt to avert a strike by 12,000 employees of Allied Bakeries, one of Britain's big three bakeries.

The Bakers' Union has instructed its member at Allied, responsible for producing about a quarter of the country's bread, to stop work at 6 a.m. on Friday in support of an official strike by 320 people at the Sharrocks bakery in Manchester.

Faced with this threat, the Federation of Bakers yesterday stepped into the dispute. It stated that it could not elave a federation member isolated in the face of industrial action and that it had invited the union to discuss the matter to-day.

There was no comment from Allied, which is a subsidiary of Associated British Foods.

The two-week-old Manchester strike began when pay was withheld from a number of men said to hav etaken part during working hours in a meeting called to discuss discrepancies resulting from a change in shift patterns.

Behind the dispute is the issue of whether bonuses negotiated at plant level need to be sanctioned by the company's head office.

At the Sharrocks bakery, it appears that employees made *ad hoc* arrangements with a manager to cover undermanned sections and meet order deadlines in return for a cash bonus.

Mr. Sam Maddox, general secretary of the 54,000-strong union, said last night that the agreement had been put in form and that he rega company's attempt to as dishonourable.

Agreements to pay bo the kind involved at S were widespread in the

"I believe that the was looking for confron knock away local perks

There was no questio stage of calling out wo other bakeries, although areas there was pressu members to stop work. Maddox.

In the last big bake in 1974 the union rank consistently took a m tant line than the le Bakers earn a basic f a 40-hour week.

New Rover assembly stops as workers complain over heat

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

PRODUCTION OF British Leyland's new Rover 3500, which is trying to meet £17.5m. worth of orders, was halted yesterday afternoon only a week after the launch.

Jaguar lines at Coventry were down to a trickle because of a dispute involving seven workers. More than 3,000 men are laid off.

Although the Rover men work in Europe's most modern assembly plant, costing £31m., the 270 in the paint shop walked out for the fourth time in eight days complaining of the heat.

This time they were joined by 1,500 assemblers. This brought production to a standstill with the estimated loss of 25 cars.

In the hottest parts of the paint plant like the underseal section, the temperature has been hitting 100 degrees and the have proposed coming in at the usual time of 7.30 a.m. and working straight through a six hour shift to 1.30 p.m. instead of doing an eight hour shift broken by mealtimes and relief breaks.

The management pointed out that this would cause assembly to get out of phase and instead offered extra relief time, which was turned down.

Production of Jaguar cars was almost brought to a standstill by the continuing dispute over seven men in the press shop who have left the Transport and General Workers to join the Amalgamated Union of Engineering Workers.

The other 80 in the press shop walked out on Monday in protest and lay offs began on the main assembly line and at the nearby Radford machining shops.

The seven, who are refusing to obey an instruction from the executive committee of the AUEW to accept alternative work that management has offered are expected to meet today to consider future action.

Tory crash course on 'tricks of Left'

BY DAVID CHURCHILL, LABOUR STAFF

CONSERVATIVE Central Office plans to give about 70 trade unionists a crash course early next month in tricks used by extreme Left wingers to dominate union branch meetings.

Delegates to the week-end course at the Tories' conference centre at Swinton, Yorks., will be addressed by Mr. James Prior, Shadow Employment Secretary, as well as Mr. Jim Mortimer, chairman of the Advisory Conciliation and Arbitration Service.

According to Conservative headquarters yesterday, Mr. Mortimer will stay on safe ground and lecture on the role of ACAS in settling industrial disputes. But his attendance at the Tory meeting could lead to some trade unions questioning ACAS' independence.

Mr. John Bowis, head of the Conservative Trade Union Department, explained yesterday that the course would be the first of many in various parts of the country to give Tory trade unionists guidance in running union affairs.

Delegates will be told that Left-wing militants "pack" meetings by spreading their supporters round the hall to give the impression of widespread support, as well as ways in which militants can influence union elections.

"The course will be a combination of techniques used by Left-wingers as well as explaining the statutory requirements for trade unions," Mr. Bowis said.

These week-end courses are also intended to provide the Tories with a "feed-back" of grass-roots opinion on Conservative policies towards unions.

One issue will be how far the Tories should become involved in supporting moderate candidates in union elections, after the controversy earlier this year when lists of moderates were published by Central Office.

Delegates to the first course have been chosen by local constituency associations, who have also paid part of their fees, but later courses may be opened to rank-and-file Tory trade unionists.

Blastfurnacemen back TUC line on Boards

BY OUR LABOUR STAFF

THE NATIONAL UNION of Blastfurnacemen committed itself at its conference at Llandudno yesterday to 50-50 trade union representation on the Board of the British Steel Corporation.

Mr. Hector Smith, the union's general secretary, said it would support the TUC line of 50-50 Boards, so long as individual unions were given the right to nominate their own representatives without interefence by the employer.

It would not be acceptable in the steel industry, he added, for worker-director nominations to come from the TUC Steel Committee.

The blastfurnacemen's union has two worker-directors on the BSC Board out of a total of 17.

Jobs for 120

TEN factories bringing 120 jobs to the Sunderland area were officially opened yesterday after a joint development programme by Sunderland Council and Tyne-Wear County Council.

Aid sought for apprentices

The Association of Professional, Executive, Clerical and Computer Staff has written to five sponsored MPs, including three Cabinet Ministers, demanding immediate action to combat unemployment among school-leavers.

It is seeking an extension of financial assistance to companies taking on apprentices and the provision of more full-time and day release educational courses.

Bonus dispute

Cumbernauld and Kilsyth Council will meet to-morrow to discuss the seven-week strike by plustmen over proposals to cut bonus payments as part of the public expenditure reductions. On Monday the men reversed a decision to agree to a £5 cut in bonus plus £350 for removing growing piles of rubbish and are now seeking a cut of only £4 and payment of £500.

Dressing down

A NEW development in the safety row involving 1,000 strikers who have halted construction at the £300m. power station at the Isle of Grain, Kent, came yesterday when a joint meeting of unions and employers were told by the Factory Inspectorate that protective clothing had to be provided for employees.

Tripartite plan

Mr. Jack Jones, general secretary of the Transport and General Workers' Union, yesterday urged the Government to establish a tripartite committee representing trawler owners, his union and the Government to deal with p affecting the industry, in the recent dispute with over fishing limits.

Back to work

A strike over a bonus by 40 bricklayers at the steelworks, Stoke-on-Trent called off yesterday pendin between the British Stee poration and the Union o struction, Allied Trades Technicians.

Yard halted

WORK AT The Wheisoe yard at Dock Point, M brough, yesterday when workers walked out over a for increased overtime pay. officials will meet the co to-day to try to settle the di

'Political conniving' angers union ch

By Christian Tyler, Lab

MR. GEORGE SMITH, secretary of the Union struction, Allied Tra Technicians said yester his union might withdr the Construction Indust ing Board because of conniving" by the De of Employment.

He is angry over th men of a retring offic the rival Transport and Workers Union to be th new chairman.

UCATT's three sponsor are to protest to Mr Booth, Employment S to-morrow about the ment of Mr. Leslie present deputy chairma Board who is soon to his full-time TGWU job og ill-health.

Kow-towing

Mr. Smith believes th ment is kow-towing influence of Mr. Jack general secretary of th and yesterday accus department of enc "despotism" and "cr dispute situation."

In Whitehall it was p that there was no requirement on the mi consult about such appo and that no other objec been lodged about M who had been represe civil engineering worke CITB for more than 10

His appointment a chairman was made Maurice Macmillan, servative Employment S in 1973.

Mr. Kemp, who is likely to work more th or two a week in the which would pay £4,00 for a five-day week. other new posts, with Peterborough develop porations.

Officers by fall of sterlin

By Our Labour Staff

THE TWO-YEAR declin value of sterling has value of seafarers' earnin abroad by one-third, Eric Nevin, general secr the Merchant Navy and Officers' Association.

Mr. Nevin, writing union journal, lamen failure of the new pay take account of this which, he says, has driv chant navy officers to foreign flag-ships "an make a lesser contributio solving of Britain's probl

"The present pay gu for 1976-77 do not ma mention of compensation fall in the value of because most people country are affected b exchange rates only travel on holidays abroa

"It is this sort of which points to the fa once again there is a able element of unfairne plan—unfairness which w eliminated by free c bargaining."

The association voted acceptance of the £2.50 to policy at last month's TUC congress.

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FINANCIAL TIMES SURVEY
Wednesday, July 7 1976

Vans and Light Trucks

The U.K. remains a strong manufacturing centre, but competition is increasing, especially with the Japanese arrival on the market. The trading performance of the industry is patchy and although registrations this year will not be high, recovery should take place on the back of the car market revival.

llers' arket the rizon

'erry Dodsworth
Industry Correspondent

.DING TO some of the estimates, commercial manufacturers will be to sit out yet another tely poor year in 1976 spotting recovery on the about seven or eight from now. There are ore optimistic voices in lustry who see markets up in the latter part year; but by common , even if they do it will w year for registrations, g three relatively poor since the peak 295,000 itions recorded in in 1973. And van manu- rs, like the rest of the y, have had to bear a f the difficulties.

is not to say that the van and light truck y is in deep depression. f it are doing quite satis- y, mainly because of a onto export markets. . Ford's Transit output ually gone up this year, its factories are on full orking. The same is true Land Rover production lines, which pushed output to record levels of well over 50,000 units last year as the company shifted workers from cars to the adjacent Land Rover assembly. Both these companies have been able to take up the slack by pursuing export business, the Transit gradually building up its penetration in Europe, and the Land Rover making more and more headway in third world markets.

In general terms, however, both car-derived vans and pick-ups and the medium trucks sector of vehicles weighing up to 3.5 tons gross vehicle weight are suffering from the depressed market this year. The vans and pick-ups business, having just topped 100,000 sales in 1972, slipped back to 72,000 in 1975, and is off again slightly this year, although there are hopes that it has bottomed out and will achieve roughly the same level as last year. The medium sector, which achieved about 90,000 sales last year, could easily be off by about 5,000 units this year.

Such reverses were inevitable against the background of the current business recession. The light commercial vehicle industry is heavily geared towards the buoyancy of the consumer trades, and it is a feature of truck markets that the recovery of consumption after a recession first feeds through into motor car buying and is then followed by other sectors. When those begin to move, and industry requires more vehicles to move goods around, and can afford to replace old ones, the commercial vehicle manufacturers are dragged back up with the general trend.

Despite the difficulties of the market, however, there have been some interesting product developments over the last two years. The most marked innovation this year has been the new Volkswagen LT truck, powered either by a petrol engine or a Perkins unit, and clearly designed to hit the top range of the Ford Transit and the same company's A series. In Germany it will also be a contestant for the market now dominated by the light trucks which Mercedes developed after the takeover of Henschel-Hanomag had taken it into this sector of the market.

Expansion

The LT has sold quite well in Britain after a large-scale—and presumably quite expensive — expansion of its dealer network. There have been some doubts as to whether its cab-over design, which means that the cab has to be lifted to service the engine, is the right approach for this market, however, and in Britain at present VW has a hard struggle with prices because of the high rating of the German mark. Hence in total its sales are slightly down this year —at 2,497 against 2,826—against the first five months of 1975.

The most spectacular entry into the light commercial market has been by Datsun, the Japanese manufacturer better known in the U.K. for its successful leadership of the car importer league. Datsun, of course, like its great Japanese rival Toyota, is a very large-scale manufacturer of commercial vehicles, and because of the peculiarities of the Japanese road system, these tend to be concentrated in the lighter sectors: indeed, the Japanese do not make any really heavy trucks like the Europeans.

NEW REGISTRATIONS OF NEW GOODS VEHICLES IN THE U.K. BY MANUFACTURER

Manufacturers	Car derived vans and pickups		Other goods vehicles up to 3½ tons (includes light 4 x 4—es Land-Rover)	
	January-May 1976	January-May 1975	January-May 1976	January-May 1975
BRITISH				
Bedford	5,293	6,426	5,656	7,474
British Leyland	13,649	15,745	9,561	9,867
Chrysler	—	—	2,229	4,902
Ford	9,242	6,991	14,342	17,648
ERF	—	—	—	—
Foden	—	—	—	—
Seddon Atkinson	—	—	—	—
Others	—	10	30	54
Total British	28,184	29,172	31,818	39,925
IMPORTED				
DAF (Holland)	—	22	—	—
Chrysler (France)	1,544	2,711	—	—
Citroen (France)	26	97	—	—
Peugeot (France)	—	—	93	70
Renault (France)	648	738	—	—
MAN (FGR)	—	—	—	—
Magirus Deutz (FGR)	—	—	—	—
Mercedes-Benz (FGR)	—	—	452	416
Volkswagen (FGR)	—	—	2,497	2,826
Fiat (Italy)	—	—	714	807
Datsun (Japan)	1,347	3	—	—
Mazda (Japan)	—	—	508	609
Toyota (Japan)	—	—	928	1,396
Moskvich (USSR)	207	278	—	—
Scania (Sweden)	—	—	—	—
Volvo (Sweden)	—	—	—	—
Others	2	6	64	58
Total Imported	3,774	3,853	5,286	6,182
GRAND TOTAL	31,958	33,025	37,104	46,107

Given this strength, and the Japanese expertise in export markets, it was probably only a matter of time before Datsun made an attempt on Britain, and following the furore about its car imports last year, it evidently decided to switch tactics: this year, the company's car sales have been held steady, but at the same time its pickup registrations have gone from three in the first five months of 1975 to 1,347 this year.

On a world scale it is true to say that the Japanese companies to-day dominate pickup manufacturing, once quite a strong feature of the European industry. Where the Japanese have scored most is in the U.S., a large market for these open rugged vehicles, which are often used for holidaymaking in more inaccessible terrain. Datsun has also shown itself to be extremely deft in exploiting the market in the Middle East, where pickups are now used very much as traditional all-purpose beasts of burden. Nomadic tribes are even said to transport their camps and equipment by pickup to-day rather than the camel, and Datsun has certainly made a strong impact with the vehicle in Saudi Arabia.

Within the U.K. Mazda and Toyota have also made some impression in light commercial vehicles, the latter being particularly successful with its motor home van. But so far this year, they have suffered from the downturn in the market and the recovering strength of the domestic British producers: Toyota, for example, has sold 928 vehicles in the first five months of 1976 against 1,396 last year.

The signs are that competition within the U.K. and Europe will intensify in this sector of the market. Although profit margins on light commercials are obviously much lower than on the prestige big trucks, these vehicles cover by far the largest sector of the market in terms of unit turnover, and in recent years European manufacturers have been turning their attention towards rationalising their product ranges.

Ford has possibly made the running on a European scale. With the emergence of the Transit, in 1965, it developed a vehicle to underpin the whole of its commercial range, and by the flexible use of two wheelbases and a variety of engines, managed to extend the vehicle up to 3.5 tons gross vehicle weight, above which users have to have a special 'operators' licence. This was followed by the A Series truck, which was basically an operation in "niche-filling" spotting a gap in the market and providing a tailor-made product for it. The point about the A series is that it covered the gap between 3.5 tons gvw and 7.5 tons gvw, a small sector in terms of volume, but quite important since 7.5 tons is the break point above which drivers must have a heavy goods licence.

Strategy

Above this Ford developed the "D" Series truck which in a variety of configurations expands all the way up to 28 tons, but in its lightest form can just be fitted in below the 7.5 ton level.

These vehicles have also given Ford manufacturing almost entirely in Britain, a range with which to tackle Europe. Its strategy has been to go in with the Transit to build up its commercial vehicle franchise, and gradually tag on its other products, and this has been achieved with some success. In Italy, for example, the diesel Transit now accounts for virtually a third of the market.

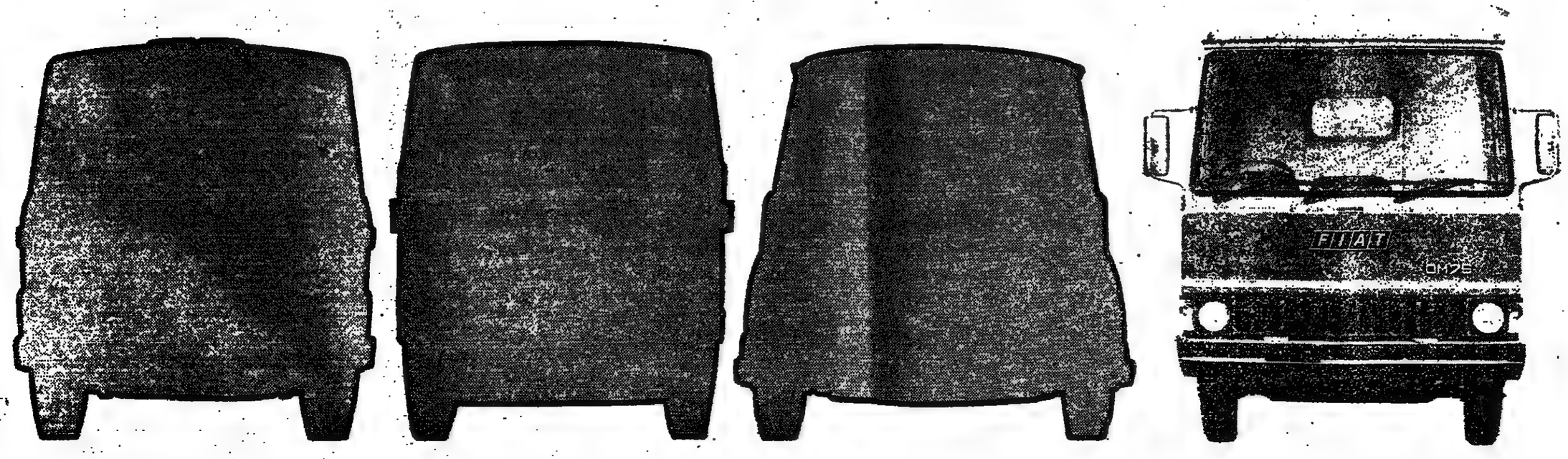
Ford's technical approach has probably had much to do with the penetration achieved by the Transit, a fast, lively vehicle which handles more like a car than a truck and has been taken up particularly strongly by owner-drivers who spend a lot of their time in the van themselves. Ford has also followed the path of so-called "value engineering," producing cheap vehicles with no special claim to longevity.

Mercedes, on the other hand, has followed the opposite course, as in its cars and heavy trucks. It stresses the quality of its engineering and the durability of its products, and for this charges a premium price. In Germany this is a tactic that works: whether it will do so in Britain used to much cheaper commercial vehicles, and in markets like France that have strong local producers, remains to be seen.

In overall range of product Britain continues to be a strong manufacturing centre. Bedford, manufacturing the CF and heavier TK range van, has also had considerable success in Europe—General Motors' German subsidiary, Opel, does not manufacture commercial vehicles, leaving the field to Bedford and Chrysler's PB van which has sold steadily. Chrysler is also planning a new walkthrough

CONTINUED ON PAGE III

IN THE E.E.C. 1 IN EVERY 4 TRUCKS IS ONE OF OURS.



Born in 1899, Fiat built their first truck just 4 years later.
In 1925, the world's first motorway opened on their home ground. In Italy.
This meant that Fiat had a perfect testing ground for their early trucks.
So you see every new Fiat truck is the result of years of road experience.
Millions of miles.
Maybe it's one of the reasons why Fiat is so popular in the EEC.

FIAT
Fiat Commercial Vehicles—an IVECO Company IVECO

Rationalisation at the lighter end

RATIONALISATION USED to be the vogue word in the car industry, but in the last few years it has also come to be applied increasingly to the commercial vehicle market as well. Within the space of about 24 months two significant milestones have been passed, with the emergence of Iveco, the truck group put together by Fiat in Italy, France and Germany, and the Club of Ten with its design for a light truck shared between Volvo, DAF, Saviem and KHD. Both of these developments are signs of the competitive pressures building up in the market place as Europe gradually becomes more homogenous in its buying tastes; and in the field of ligh trucks they will inevitably bring more standardisation to a sector of the commercial vehicle industry which still seems highly localised in design influence.

The Club of Ten project, for example, has produced a common design for the companies in the four countries involved. There is the option, of course, of local component options, Volvo, for example, choosing to use a Perkins engine; but most of the major parts, like cab panels, are made centrally. Again, in the case of Fiat, one of the objectives of the creation of Iveco was to produce a more streamlined design and engineering business across Europe, with Italy becoming the centre for heavy trucks and France most likely concentrating on the lighter end of the range.

Further important developments can be expected within the next 12 months. In Germany, for example, there is a high probability that Volkswagen, having launched its LT vehicle in the 2.9 to 3.8 ton gross vehicle weight category will enter the next weight range up as well through a joint development with MAN. The two companies already have loose commercial links, and if the project gets off the ground they will probably share design and development, with VW looking after the cab, and MAN the engine; manufacturing might then be linked on the same basis.

Even more interesting are the talks now going on in Poland between General Motors and the Polish truck authorities for the creation of a new light commercial vehicle factory. The negotiations have been extremely protracted, partly because both sides are tough bargainers, and partly because GM is insisting on retaining a long-term interest in the project: its chairman, Mr. Pete Estes, said recently in London that GM will simply not enter into a technological deal in Eastern Europe without some continuing financial stake. But if the deal comes off—and it could be signed within a matter of weeks—it would almost certainly mean substantial orders for Bedford, the GM subsidiary in Britain which has had a team working on the project.

Position

What the Poles eventually want is a light truck in the range above 3.5 tons gross vehicle weight. This is a sector of the market which Bedford itself wants to tackle having established an extremely strong position in the U.K. with its range of heavier vehicles, which it is now selling in increasing numbers on the Continent. Thus there is an opportunity for a co-operative type of trade-off, with the Poles building a plant and making a product to a Bedford design; and the British (or American) company then using the Polish plant as a supply base for sales of the vehicle in Western Europe. GM would thus have a long-term marketing interest in the new vehicle, and also get a product that fills a gap in its range.

Deals of this kind with Eastern Europe are relatively new but becoming more and more significant for both commercial vehicles and cars. For example, in Britain this year year the MAN distribution organisation has started to import Roman 16 ton trucks from Romania in order to get a pricing edge that would not be possible with vehicles from West Germany. The Roman vehicle, is a MAN design and virtually identical in appearance.

Within Western Europe itself, however, the international sales drive is developing more and more force as the large truck companies move across their national boundaries with distribution and service networks. The spur to do this came from the heavy end of the truck business as international haulage spread across Europe to replace the traditional forms of shipment. To stay in this business manufacturers have had to build up strong dealership and service networks over seas; and having done that it is inevitable that more of their lighter products should be pushed through these distribution systems.

A significant case in Britain is Mercedes-Benz, which has spent a lot of money in the U.K. in the past three years trying to establish a base for its heavy truck sales. The company is now also placing increasing weight on its lighter range of Dusseldorf Transporter vehicles, which compete in the 3.4 to 6.4 tons GVW range. As with its heavier commercial vehicles, Mercedes will try to sell these at premium prices on the basis that they are high quality machines with longer built-in durability.

Volkswagen, on the other hand, has approached from the other direction, building its light truck range on to its car activities. For many years the base for this business has been the rear-engined VW vehicle that has been particularly strong in the motor home business. But with the new LT truck, VW is expanding its appeal up the weight range and using a diesel engine (made by Perkins) for the first time.

Excursion

British companies, particularly Ford, are themselves developing as a supply base for the rest of Europe in this category of vehicles. Ford really began its excursion onto the Continent with the Transit, made in Genk, Belgium, using British engines, but now supplied from its Southampton factory as well. As in Britain the Transit's qualities as a nippy versatile vehicle have proved a strong sales factor, and it has made some significant gains; in Italy, for example, Ford claims to have about a third of the Transit-type market, a surprising achievement given that the company has made very little penetration with its cars there.

This year, too, Ford has built 300 more of its D-Series models for Europe than in the same part of 1975, bringing its total exports over 4,000, and the A Series has doubled production (to well over 7,000 units) following its introduction to European markets. Overall, Ford has stepped up its commercial vehicle exports by about 30 per cent. this year, including units sent overseas in kit form.

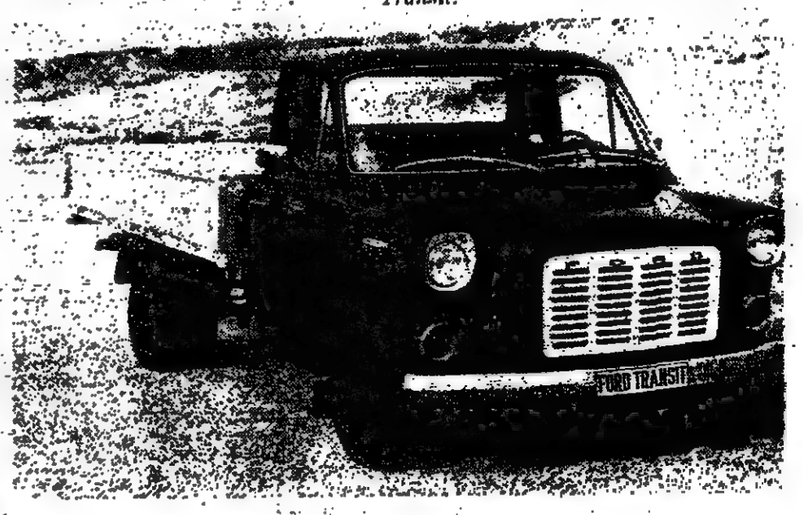
Ford's example is being followed in Europe by British Leyland, already established in one or two markets, but now attempting to extend its commercial vehicle penetration in line with the Ryder Report recommendations. Leyland will probably attempt to forge ahead in the EEC by concentrating on its lighter vehicles until its new range of heavy trucks is complete: the Sherpa van, for example, presumably has potential in much the same way as the Transit.

At the same time Bedford, Britain's biggest exporter of heavier commercial vehicles, has established its position as the centre of General Motors' commercial vehicle activities in Europe, and is gradually reorganising its sales and marketing arm to give the British company greater control over the push into Europe.

With the Bedford CF, the Ford Transit and A series and the Leyland Sherpa, EA and FG vans, Britain has a wide range of competitors at the light end of the market. By to-day's European standards they are also cheap: British vehicles are reckoned to have about a 10 per cent. advantage in Europe, and the currency situation should retain that edge for some time to come. This being so there are plenty of opportunities abroad for British manufacturers; and the evidence from increasing export production is that this chance is being seized.

Terry Dodsworth

Two of the popular light vans. The Commer PB 2500 van (above) and the Transit.



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The LT.

The convertible chassis cab you see above and the ex-factory versions you see below merely hint at its adaptability.

First of all, it comes in three nominal payloads (depending of course on body weight).

LT 28, 1.5 tons. LT 31, 1.75 tons. And LT 35, 2 tons.

Secondly, should you decide on the LT 35, you have a choice of wheelbase; whichever you choose, the forward control design gives optimum body lengths ranging from 10' to 13'.

Thirdly, we offer two engines.

Either a 2 litre Audi overhead cam, or a 2.7 litre Perkins diesel. Both are up-front and water-cooled.

Whatever the innovations, though, we're as loyal to economy and reliability as we've always been.

For example, LT is very competitively priced, travels a profit-conscious 21.9* m.p.g., and will cover 10,000 miles between major services.

Our economic standards satisfied, we went to work on the cab.

With the help of a computer we developed a universal driving position. So whatever shape or size you are, you'll find it unusually comfortable.

Not only that, it's exceptionally quiet.

As for visibility, the view through 22 sq. ft. of window glass can only be described as panoramic.

Why not take a test drive at one of our 100 specialist truck dealers.

They can tell you more about the range, and about the twelve carefully selected body builders we've appointed.

Or post the coupon today and we'll send you the full story.

Please send me more information on the new Volkswagen LT range.

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TRUCKS

The new Volkswagen LT.

Japanese pick up the profits

THE LAURELS — and the profits—in the world pickup market have been unquestionably captured by the Japanese manufacturers in recent years. Why this should have happened is not exactly clear, since many European producers have been established for a long time in markets such as the U.S. and South Africa where sales have been strong.

But the Japanese strategy has been well worked out. From their large bases in the U.S., where pickup demand is strong, sales have swiftly been extended into other markets, spreading to Indonesia, South Africa, Australia and now in the last two years or so into the Gulf states and Europe.

In the connected market for heavier workhorse vehicles like the Land Rover, the contest is fiercer. Profit margins are much higher in this sector, and not to be relinquished easily. Technological factors play a larger part, with the Land Rover still maintaining a lead over its rivals. But there is no doubt that here, too, the Japanese have proved doughty competitors. The Toyota Land Cruiser, sold like the Land Rover throughout the world (North Korea is the only country which Land Rover claims not to have penetrated so far) is now produced at the rate of about 100,000 units a year, as against the Land Rover's 55,000; and the Jeep, one of the products of American Motors, probably has a top capacity output of about 120,000 units a year.

Feature

The market for pickups and small vans has fallen in Britain this year. As a whole it has gone down from 33,025 sales in the first five months of last year to 31,958 in 1976. Land Rover sales have dropped over five months from about 4,500 units last year to 3,700. Toyota, which only began importing the Land Cruiser a year ago has sold about 130 vehicles.

The outstanding feature of the car derived van and pickup sector of the market this year has, in fact, been provided by Datsun, which after a brief test marketing period in the latter part of last year launched its pickup in the U.K. in January. Since then Datsun's sales have shot up to 1,347 units in the first five months, some compensation, perhaps, for the slight fall in its car registrations which have dropped back since its decision to impose voluntary restraint on sales in Britain following the row over Japanese imports last year.

The only other significant importers in the light van and pickup field are Chrysler France (Simca), Renault and Moskvich, the Soviet distributor. But all of these have taken something of a knock this year. Simca sales were down from 2,711 to 1,544 over the five months, Renault's from 736 to 648, and Moskvich's from 278 to 207.

Much of the lost business must, in fact, have gone to Ford. Although the total market is only down about 3 per cent. —from 33,000 units in 1975 to 31,950 in the last five months—Ford sales have risen dramatically from 6,990 to 9,240. Part of this must be attributed to the difficult patch Ford went through last year when it introduced the new Escort car and van, but the company seems to have gained both at the expense of domestic and importing manufacturers. Bedford sales fell from 6,426 to 5,293, and BL's from 15,745 to 13,649.

The 4 x 4 business in which the Land Rover competes is much more international in outlook. Whereas car-derived van and pickup sales take their lead basically from car sales, and are therefore dominated by home producers, 4 x 4 manufacturers have had to go into exports to achieve volume. Something like 75 per cent. of all Land Rovers, for example, are sold overseas. During the last two or three years, this international market has been extremely healthy, buoyed up by the commodity boom of 1973/74 and the escalating oil prices which generated the funds for some developing countries to go out and buy equipment.

Workhorse vehicles like the Land Rover always tend to benefit from such swings in the international market, because they are perceived as basic pieces of equipment which are essential for opening up new developments and improving communications in rugged countryside.

In recent years the Land Rover has had to face increasing competition from several quarters, and there is no doubt that rival manufacturers are extremely serious in their attempts to get a share of what has been a very lucrative market. Both the American Motors Jeep and the Toyota Land Cruiser are now well ahead of the Land Rover in annual worldwide sales, and more competition is coming from the Romanian-made ARO Land Car, a military-designed vehicle which has been adapted for more general purposes.

There is also a plan at Mercedes to launch a similar vehicle, said to be somewhat more sophisticated than the Land Rover. To compete with these new products, Leyland itself is believed to have plans under discussion to expand Land Rover production at its Solihull site where space has been released by drop old 3.5 Rover with the the new Rover 3500.

There are doubts, o that the market is big e accommodate all the that have come on st recent years and also pansion from the es producers. Clearly pri margins—might have dropped. But so far th been little evidence of a ing demand on world for 4 x 4s despite the r

Opportunity

Leyland is in the po having a whole new opening up for itself Middle East. Since the A cott regulations were against the company two ago, it has become cl there is still plenty of to be had in this region Arab states have of co ways taken the Land R military purposes des embargo, and in these c there is considerable demand from custome know the vehicle's virtu

At the same time t clearly an opportunity f military contracts with states, who find the vehic for desert and semi-des rain. And Saudi Arabia has rigidly applied the and provided a great business for the Land is obviously a market tackling.

In future it is likely greater proportion of 4x facturing will be done o from "knock-down" kits land already has a num satellite plants around th working on this basis, a Japanese are well aware pressures to do the sam

Overseas KD assemb developed quickly over t few years as developing tries try to use car and plants as central mech for training workers in trial skills. Truck plant this goes for Land Rovers are ideal for this, becau end product is a vehicle is needed for productive opment while the assemb cess tends to be simple for cars. The future d ment of this market, the will closely hinge on the of the developing countri

Terry Dodsw

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nd Gains by motor homes

LOOM that settled over ilders of motor homes ır as sales declined by han 35 per cent. com- vith 1974 is now finally to lift with the market ıg to a rather more pattern. The sales of homes in Britain will y reach the bottom of line this year, reaching of about 5,000 against 5,500 last year. But if ıl is achieved it will be the industry's most tic predictions in the ays of 1975 and will the beginning of a real y rather than a further rd step.

e recession tightened in d 1975 one of the main o be badly affected was isure industry, with spending power falling the decision to lay out r £3,000 and £6,000 on ised home was not one ken lightly. As inflation to rates between 25 and cent. the price of a ome shot up dramatic- d petrol price increases n the threat of ration- two-tier pricing further nded the problems.

ıtrols

he heady days before d car tax sales of motor in 1972 reached a peak 000 vehicles, but the ction of new taxes along ghter credit and higher charges have caused ure to plummet. VAT er cent. and car tax at cent. still stand, but the udget did have some for motor home manu- rs in that it lifted all s on hire purchase.

actice most finance com- are now setting their strictions, but in place old Government regula- which stipulated a one eposit with 24 months to ustomers are now likely ffered terms of a 20 per eposit with three years The hire purchase relaxa- has helped to boost d, but signs of recovery already apparent before ril Budget.

of the effects of the lun, however, has been nge consumer demand to ın extent, with Ford, for le, claiming that one of asons for their recent ed market share is that ial customers are now asily able to afford their ts, which generally have r chassis, but are more ive than the major ers. Ford feels that cus- are basing their judg- not so much on the total f a vehicle, as on the t they must spend each n repayments.

share of the U.K. market by home based manufac- has improved in the first ıonths of 1976 to reach er cent. as against last total of 37.4 per cent. The t leader for many years, er, has been Volkswagen at one time claimed more 0 per cent. of the British t. Most of the VW range is ted by the Sidmouth- firm, Devon Conversions, er, the top of the range the Continental, is built stphalia-Werke of Wieden- in West Germany. But V grip on the market has lly been slipping month nth this year in line with importers, as the fall in lue of sterling has pushed ir prices.

he first five months of it has claimed 26.5 per against a market share ear of 36.2 per cent. The hare of the market that one to importers so far ear is 57.3 per cent. as t 62.6 per cent. in the of last year. So far in VW's major foreign com- r, Toyota, has taken 19.7 nt. of the market. Of the ı manufacturers Ford has 18.3 per cent., Bedford cent., Leyland 7 per cent. ommer 5 per cent.

s trend towards the ı manufacturers has ated recently and in the monthly figures for May long hold on the leader- ıas slipped so far that it can now do no better than share first place with Ford, both taking 23 per cent. of the market. Bedford with 14 per cent. has also succeeded in pushing Toyota into fourth place with 13 per cent.

Most manufacturers feel that registration figures for motor homes are understated, often by as much as 10 per cent., because retailers are in some cases failing to mark registration forms with sufficient details, when the motor home is sold. The Society of Motor Manufacturers and Traders is now lobbying manufacturers and dealers to tighten up this procedure.

One of the major changes that motor homes are undergoing, as consumer tastes alter, is that coach-built models are now gathering popularity at the expense of the conversions. The former, traditionally much more expensive, have a special body built on to the manufacturer's chassis, as against the latter which is a converted van.

According to Mr. Iain MacPherson, managing director of CI Autohomes, the largest motor home manufacturer in Britain, one in every five motor caravans is now coachbuilt. This current 20 per cent. share of the market has doubled in the last three years, and is yet another by-product of rapidly rising inflation rates. Four years ago the price differential between a conversion and a coach-built vehicle might have been about £500, with the conversion costing £1,500 against £2,000 for its more expensive stable-mate. The price differential has more or less been maintained, but with rapid price increases it is now a very much smaller consideration as a percentage of the total cost of say £3,700 against £4,100.

Mr. MacPherson says that customers are becoming much more sophisticated and the motor home is now appealing to the advertising man's AB market far more than before. The market has changed considerably from the days when there was no VAT, no car tax and inflation had more to do with tyre inner tubes than the value of the pound in people's pockets.

The Ford Travel Home, for instance, one of CI Autohomes most luxurious models, includes such standard fittings as hot air central heating, double glazing, hot shower, flush toilet, a two cubic feet fridge and freezer, an oven cooker and two full-size double beds, the whole package coming in at £6,000. Just to illustrate how far up-market the motor home business has gone, CI Autohomes is now finding it impossible to meet demand for this top of the range vehicle.

Concentration

Along with the sophistication has come a far greater concentration on style and design and this led CI Autohomes to employ the services of Danish-American designer and lecturer, Carl Olsen, who has radically changed the appearance of the coach-built motor home. The standing joke of the industry used to be that most motor home users, as soon as they parked in a lay-by on some holiday road, would soon be approached by trippers in search of an ice cream cone. But manufacturers now feel that any resemblance between a motor home and an ice cream van is purely incidental. It has come of age as a proper leisure vehicle.

Ford feels that the greater demand for sophistication has come from customers searching for more value for money. It's no longer enough to be able to use the motor home just in the main summer months. Customers are looking for sufficient heating and insulation to be able to use the motor home as a holiday base throughout the year, not only as a companion at the beach, but also beside a mist-shrouded loch in November, or for short week-end breaks in the depths of winter.

But if the market for new motor homes is only now starting to find its feet again, the market for used vehicles is approaching boom proportions. There are plenty of keen buyers around willing to pay the quite high prices being demanded in a successful market. Dealers feel that the good months for trading will probably last well into the end of August and the optimists expect the market to hold up until the end of September.

With devaluation making the foreign holiday an ever more expensive proposition, more people are turning back to the motorised caravan. The most marked demand is coming from many hire companies who are finding it difficult to meet requirements with the rise in numbers of people looking for a motor home as the most economical way of taking a touring holiday in Britain. Much of this demand is coming from foreign tourists.

For the motor home manufacturers that survived the recession—and several on the periphery did not—the future prospects must now look far more encouraging. CI Autohomes for instance, part of Caravan International, is now looking to future investment again after a period of retrenchment and re-organisation. It sees a particularly bright prospect in the export field, where it has been working hard to build up business. About one third of production is now going abroad. So successful has the export push been that in one recent four-month period exports were 70 per cent. up on the same period last year.

Next year it expects improvements in both the export and the domestic markets and the company is already quoting December delivery dates to dealers and importers for certain models.

The motor home market has always had a rather cyclical pattern with buyers appearing most keen in the spring and summer months. But in recent years there have been several artificial booms caused by Government action in the taxation field. The rush to buy before the introduction of car tax in 1975, caused most dealers to sell out, but was followed by a desperate lull as the recession deepened. Imminent price rises from the manufacturers have caused similar artificial movements in the market, but now with apparent public acceptance of higher petrol prices and the help received in the last Budget in the form of HP relaxations motor home builders seem set for a period of gradual sustained recovery.

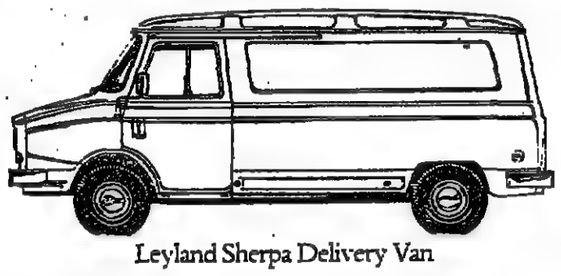
Mr. Rory O'Connor, Leyland Cars' Light Commercial Vehicles Sales Manager, thinks that the industry over-reacted after the boom at the beginning of the 1970s, which meant they were hit particularly hard in the recession. "Growth will never be so fast again," he says, "and we will not see such massive peaks and troughs in the industry." He predicts rather a steady growth rate with an annual throughput of about 9,000 vehicles by the end of the decade.

For five or six years British Leyland was not very active in the motor homes industry, but the arrival of the Sherpa van has changed that. Disregarding the 10 per cent. distortion of registration figures, Mr. O'Connor says that last year BL provided more than 500 Sherpas for conversion and this year he is hoping for about 1,000. The Sherpa will be the base vehicle for an assault on the European market which BL hopes to mount next year. It is now beginning to gain far greater acceptance from the caravanning public, particularly in such refined, high-quality conversions as those carried out by the Broadway, Worcestershire firm, Auto-Sleeper.

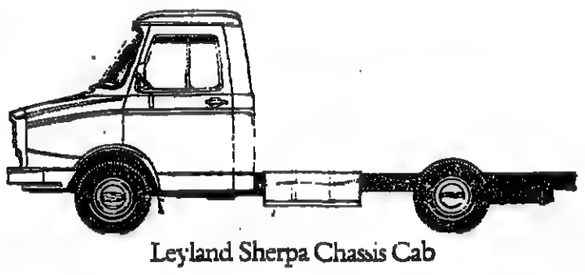
Kevin Done

The Leyland Auto-Sleeper.

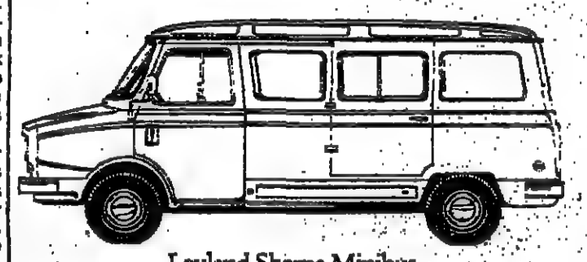
Leyland Sherpa Crewbus



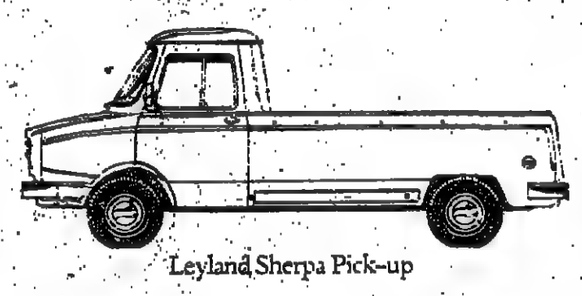
Leyland Sherpa Delivery Van



Leyland Sherpa Chassis Cab



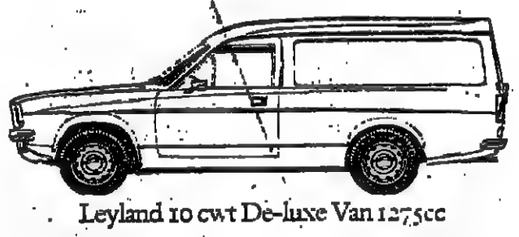
Leyland Sherpa Minibus



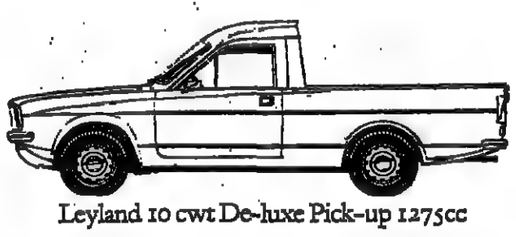
Leyland Sherpa Pick-up

Leyland 7 cwt Standard Van 1098cc

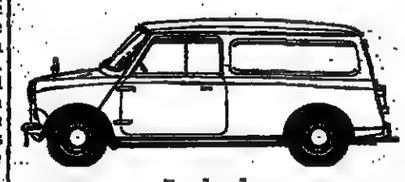
Leyland 7 cwt De-luxe Van 1275cc



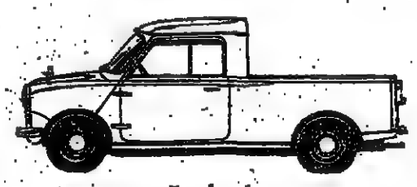
Leyland 10 cwt De-luxe Van 1275cc



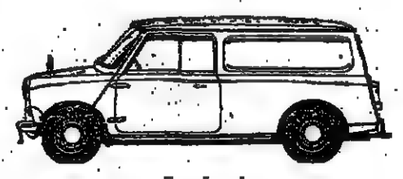
Leyland 10 cwt De-luxe Pick-up 1275cc



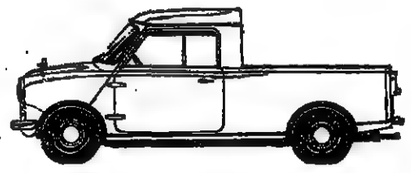
Leyland Mini ¼ ton Delivery Van 848cc



Leyland Mini ½ ton Pick-up 848cc



Leyland Mini ¼ ton Delivery Van 998cc



Leyland Mini ¼ ton Pick-up 998cc

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Or after.

Sherpa. 7/10 cwt. Mini. These three names spell out the widest range of light commercial vehicles in Britain.

And although they look different, they all have one thing in common. And that is the ability to carry more load, for less fuel, than most of their competitors.

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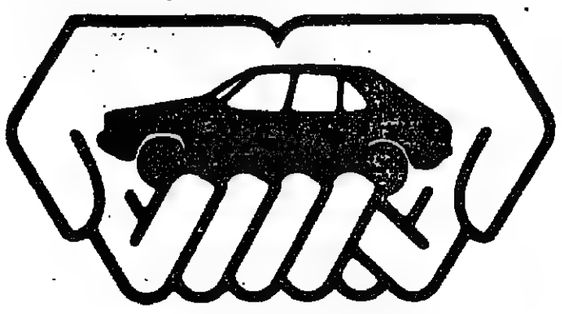
And we back that reliability with the most comprehensive 4-point after sales commitment ever offered on any range of light commercial vehicles:



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Every single one of our vehicles (even the approved specialist body conversions) comes with Supercover—whether you buy one. Or a thousand.

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4. A free 69-point pre-sale checkout before you take delivery.

No other manufacturer offers more.

Because no other manufacturer can equal our vehicles.

Before you buy. Or after.

Leyland Cars

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CONTINUED FROM PAGE 2

e to supplement its pre- Commer, as part of the nment rescue scheme. may share some common ıments with a vehicle to be by its parent company in S.

ish Leyland has also made eback in the lighter end of arket with its Sherpa van, ned two years ago. Derived Marina mechanical com- ts, the Sherpa has pulled BL's share of this market about 10 per cent. last year per cent. at present, and nd will probably hold out that the vehicle can help drive into Europe. Higher e range Leyland manufac- the RA series delivery e, and the FG pick-up is ly competitive. The RA Series. The FG, with its curiously designed doors that swing flush with the width of the vehicle, is ideal for delivery work in narrow streets. But the indications are that both these vehicles may get facelifts as the Bathgate factory in Scotland, where they are made, is modernised.

Among the imports, Fiat, with its new panel van and Mercedes with its transporter range have made the strongest impression. Again, these imports tend to suffer from higher prices than their British equivalents. But the event that manufacturers will be watching with the most interest next year is the expected launch of a new Mercedes panel van. This should create a considerable competitive stir.

Boost for the rental sector

AS A RESULT OF improved demand for rental and leasing of light commercial vehicles during the first six months of the year in particular, rental companies are generally increasing their fleets which were allowed to run down considerably during the worst of the recession.

The feeling of uncertainty which persists in industry generally has meant a comparatively slow pick-up in demand, but in some respects this has been beneficial to the rental companies.

Although business conditions have improved, the effects of inflation on the cost of new vehicles has made customer companies unwilling to invest large sums of money in rebuilding vehicle fleets to their former size. Again they are turning to the rental companies for additional capacity.

A number of rental companies have therefore directed their marketing resources at the business rental sector, rather than private rental, in an effort to increase their share of this apparently growing market. This strategy is linked to the balancing seasonal trends in demand, in which the requirement for private hire is marginally greater during the winter and company hire is greater during the summer.

Recent research carried out by Budget Rent a Car has shown that about 2m. people rent vehicles during a year, with about 1.5m. of these regarded as "infrequent" customers and the other 500,000 as regular customers. Of these 500,000 around 95 per cent. are business customers.

Like the other major rental companies, Budget reports a significant improvement in overall demand, running at about 10 per cent. higher than during the first part of last year. The underlying reasons for this, apart from better business conditions, are not totally clear.

It is suggested that the "cottage industry" section of rental companies, those owning perhaps five or six vehicles and renting at low rates in localised areas, has suffered in recent times. Due to the increasing cost of servicing and buying new vehicles, they have reduced their already small fleets. On the other hand it is argued that many smaller operators, linked to dealer outlets, have improved their hold on localised markets.

It is felt that the van rental market has in any case been generally oversubscribed in recent years and that the low rates charged by many operators have had a cumulative effect on reducing investment in new vehicles. Although this has occurred at a slow pace, it may have worked to the advantage of larger companies, particularly those with car rentals to generate more capital.

Competition

Although this competition has tended to keep rates fairly stable for some time, increasing demand is expected to push charges up. Whether this will have a dampening effect on demand will depend largely on customers' willingness to bear the higher cost in preference to investing in new vehicles themselves.

A comparative newcomer to the rental business, which has in the past been dominated by companies such as Hertz, Avis, and Godfrey-Davis, is British Road Services. Although BRS has concentrated on the heavier end of the market, its reputation as an experienced transport operator has been an important element in its overall marketing strategy.

After entering the market in January last year, BRS aimed at capitalising on the considerable resources it has for its normal activities. Rental was regarded as a further product line, operated by each regional company, and vehicles are offered on hire for periods of two, three or five years, and rentals for a minimum of one day.

It now has a fleet in excess of 700 vehicles, with light and medium weight vans comprising only 18 per cent. of the total. A further 60 per cent. is in the four to ten ton payload range and the remainder articulated vehicles. Current purchases of these are expected to increase the heavier range to 30 per cent.

The company is extremely optimistic about its growth pattern and believes that in 18 months it could dominate the industry, although it has experienced some difficulties on late deliveries of vehicles. This is believed to be a reflection of overall demand for commercial vehicles, particularly at the heavy end.

Given that there will be increased competition in future, the marketing aspects of rental has received increasing attention by many companies. Budget, for example, has concentrated on providing attractive rates.

As in the case of their car service, special rates have been provided for the commercial user, their most regular customer. The company also stresses the fact that its range of vehicles up to the 35 cwt. Luton is available from 125 locations all over the country, allowing a company to get the right kind of vehicle at very short notice if necessary.

In addition, the company prepares special promotions from time to time in an effort to make their service more attractive. Earlier this year it offered any transport manager or authorising officer who rented a vehicle for a specified period a free camera. This generated business within days, Budget reported.

Range

Godfrey Davis, with a large range of activities and possibly the largest in the van rental market, foresees a growth in overall demand more or less in line with consumer demand, but is more optimistic about rentals to individuals and very small concerns. Nevertheless, its marketing activity is equally directed at both markets. Like other companies, it continues to pursue a policy of tailoring the size of its fleet to the level of demand, keeping overheads to a minimum but retaining sufficient capacity to meet any contingencies.

The alternative to rental, which offers similar advantages over the longer term, is leasing or contract hire. One of the major advantages of leasing is that vehicle operation can be regarded as a fixed cost over a period of time, with maintenance, service and replacement vehicles included in many longer term leasing deals. With unpredictable peaks and troughs in business trends, this can be a considerable advantage.

In a "service" lease, financial factors such as trends in interest rates and taxable profits have played a less significant part in the overall calculation, although other features, such as the rate of inflation in repair and maintenance have to be taken into consideration.

These deals basically involve the supply of vehicles and associated services to meet the special needs of a haulier or own-account distributor over a specified period of time, and may on occasions include a driver.

Again, the future of this sector appears to be satisfactory, due to the over-riding economic considerations such as high interest rates and the cost of new vehicles. It appears that while these factors mitigate against the customer buying his own vehicle outright and leasing, contract-hire or rental assists him in minimising overheads, the industry will continue to prosper.

Lorne Barling

The Simca 1100 pick-up.

Export record remains good

THE OPINION expressed recently by Sir William Batty, then president of the Society of British Motor Manufacturers and Traders, that export growth is the only way to overcome poor home demand, has become a truism as far as commercial vehicle manufacturers are concerned.

Their record on exports is already extremely good, with the U.K. producing and exporting more commercial vehicles than any other country in Europe. But the message delivered to British Leyland in the Ryder Report in respect of light commercial vehicles, "to substantially increase its share of the European market is significant."

Europe is the closest and certainly the most buoyant market for these vehicles and in the long term is likely to show the greatest growth. Ford clearly realised this many years ago and has captured a large share of the market, but British Leyland is now somewhat cautiously going about getting its own slice of the cake.

The exact size of the European market is perhaps worth examining in terms of individual countries. In 1974 the U.K. exported 18,000 vehicles (under three tons) valued at £14.9m. to EEC countries. In 1975 it exported 20,600 vehicles worth about £25m.

Markets

In 1974 the markets by value were as follows: Belgium and Luxemburg £2.6m., Denmark £2.1m., France £1.7m., Germany £2.1m., Ireland £3.3m., Italy £1.7m. and the Netherlands £1.4m. In 1975, the picture had changed considerably: Belgium and Luxembourg £4.1m., Denmark £2.2m., France £3.4m., Germany £5.0m., Ireland £2.9m., Italy £6.1m., and the Netherlands £1.1m.

The increases in sales in countries such as Germany France, Belgium and Luxembourg and particularly Italy, reflect the policies of the many U.K. producers of more aggressive marketing. The level of imports from Europe, consistently running at around 13 per cent., have not been a cause for concern among manufacturers, although certain European companies are also looking seriously at the U.K. market.

British Leyland's export strategy, obviously aimed at fitting in with overall goals set out in the Ryder report, has been to introduce its Sherpa range (which has proved to be well-tailored for the U.K. customer) to a limited number of countries in the first instance. It is regarded as essential to build up a high standard of service and back-up before tackling more countries.

In deference to Continental preference, it has introduced side-door vehicles first, in France, Belgium, the Netherlands, Denmark, Switzerland and Finland. So far this has proved successful and it is hoped that launches in other countries will follow soon.

Although the policy is aimed at preventing British Leyland over-reaching itself and being unable to provide sufficient vehicles or satisfactory back-up, the current price advantage enjoyed through the weakness of sterling must create a temptation to speed up involvement. Leyland, like other companies, is nevertheless aware of the danger of opening up a gap in the home market by exporting high volumes.

Sales of the Sherpa in the U.K. have risen, even during a period of declining demand and its introduction to the Finnish Postal service, is regarded as an extremely good test of its abilities. In the U.K. it is offered in three basic payloads, designated by the number which corresponds with the gross vehicle weight in tons. The 185 model (1.85 tons GVW) has a nominal payload of 13 cwt.

Other models include factory-built integral construction pick-up and the chassis derivatives. The chassis cab and chassis front end models use the same basic mechanical units as the van for simplicity of spares and service.

Ford's continuing success in Europe with the Transit will be celebrated in August when 1m. of the vehicles will have been built over a period of 11 years. Over that period about 550,000 will have been built at Southampton and 450,000 at Genk in Belgium, an achievement which has led to Ford holding around 20 per cent of this market in Western Europe.

Perhaps in a way which British Leyland would like to develop, the back-up structure for the Transit has been built up from a network of about 2,200 car dealers spread across the various countries, although this has recently been thinned out. The only concern in terms of competition is the new Volkswagen LT series, which could challenge the long wheelbase version of the Transit, which for many years h clear run.

Vauxhall reports Bedford 'CF' range con be successful in Europ kets, with 5,000 units livered in the first five of the year compared 3,900 in the same pe year, an increase of abo cent. Compared to th ally dull European ma year, this is regarded a improvement.

Bedford has also improvements to the and continues to conce activity in the t Benelux markets, recent response in Fr Germany is also enc Italy is also providin market.

Necessary

It appears then tha manufacturers are ta necessary steps to overall sales by during a period wh demand remains depre sales running at arour cent. down on the lev year, according to un This is due mainly t of vehicles holding on existing models long normal; some manu have also observed tha in public expenditu tended to reduce ord local authorities, wh major customers.

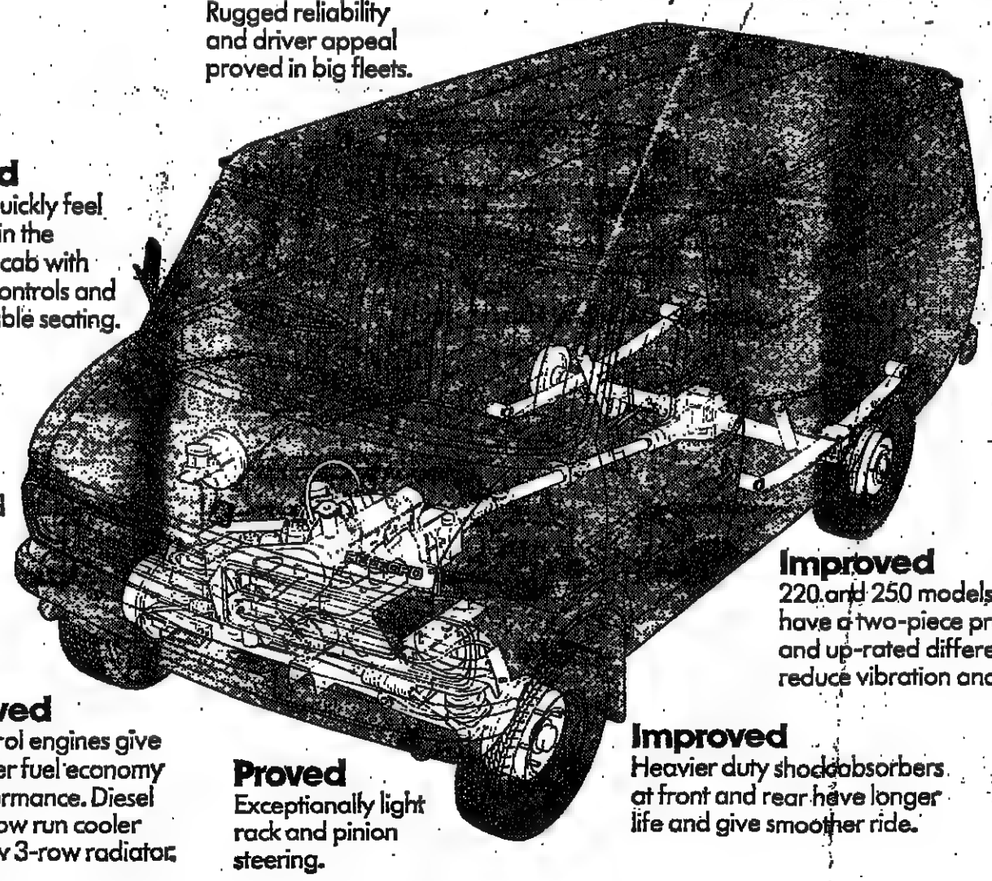
Fears that the curre in exports will eventur up a gap in the home and provide a foot importers, have been di by most producers in They believe that th have the additional when necessary, to greater home demand.

One area in which la panies such as Ford h able to exploit Europ than others, is on finan present 30 to 35 per its business in the U.K on credit, and with able financial experts disposal, Ford believes trend is creeping for Europe.

It is indicative th trend, mainly in the rental and leasing, has as acceptable in the U has been in the Unite for some time; it is al that manufacturers nee every means at their di maintain their momentum into Europe.

Lorne B

Proved and improved.



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Proved
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Improved
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220 and 250 models now have a two-piece propshaft and up-rated differential to reduce vibration and wear.

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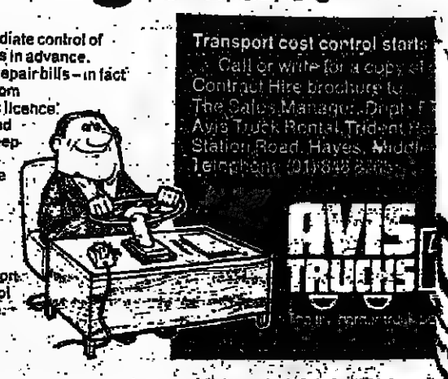

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The Management Page

EDITED BY JOHN ELLIOTT

Christopher Lorenz outlines the changes of structure and fortune of the electronics roup which looked in danger of becoming a National Enterprise Board 'lame duck'

The regeneration of Ferranti

NYONE WHO thought rranti was just another of the tional Enterprise Board's ame ducks" should take a ok at its results for 1975-76. ghteen months after the cash sis which threw it into the nds of the Government amid wealth of national publicity, e company completed its most ofitable year since at least 70.

The turnround from a loss of most £500,000 the previous ar to a profit of over £4m. (on es of £108m.) was all the ore creditable for the fact that was hardly affected by the vernment's £15m. cash in- ction. Several other non-curring factors did play a all part, but the important ssage for the future is that also reflected considerable porate reorganisation, afer cost control, and the tial impact of a new top nagement.

The regeneration of Ferranti of widespread significance to dustry, in view of the general nagement principles involved. t classified into five points, y are headed by an issue ich is crucial to the future a country which is renowned its bright ideas, and its in- lity to exploit many of them mmercially: is it possible to oncile the pursuit of high hnology (Ferranti's speci- ty) with stable profitability s weakest nerve)?

Classic case

Second, it is a classic case of choice between divisionalisa- n and centralisation of a lti - product organisation. ird and closely allied is w to motivate middle manage- nt. Fourth, it exemplifies a rennial problem of small and dium-sized businesses — the nsition of a family-owned npany to outside control and nagement. Fifth, it provides insight into relations between National Enterprise Board d its subsidiaries.

Mr. Derek Alun-Jones, the year-old former head of rmah Oil's £200m. industrial oducts division, moved into managing director's seat at rranti last December. He es out of his way to allay fears at the new management (and ners) will change the com- ny to such an extent that it ll no longer lean strongly wards research and develop- nt: "In any major way, search and development is the oduct we sell," he declares.

But he does take issue with e notion that to work "at the ntiers of technology" (a vourite phrase of Sebastian Ferranti, previously mana- g director and now chairman), u have to be unprofitable. Mr. un-Jones says Ferranti's tradi- nal pride in its technology ded to push profitability, and some cases even marketing, o positions of secondary im- rtance. He also claims that ny of its losses were in fact old technologies, such as a £10m. investment several years ago in the transformer business.

This emphasis on technology above all else was partly a reflection of Sebastian de Ferranti's infectious enthusiasm. But it was fostered by the corporate structure. One of the misconceptions which Mr. Alun-Jones laid to rest within days of joining the company was that its accounts were "dropping to bits" — an impression created by all the publicity through the winter of 1974-75. But, however good the accountants were, it was difficult for them to be represented in the boardroom without a financial director, or at least a managing director with a strong financial background (Mr. Alun-Jones' experience qualifies him for this role, though he expects to appoint a finance director in the next few months).

Mr. Derek Alun-Jones, managing director of Ferranti (left), and a view of the company's command and control terminal in use at the Glasgow Police control room.

Until about three years ago, the company was structured on a departmental basis. At one stage 21 of them were reporting direct to Sebastian de Ferranti, embracing an extremely wide range of products: computers, household electricity meters, inertial navigation systems, power transformers, weapons fuses and microelectronic circuits. Accounting, industrial relations, maintenance (which employed 600 people) and even part of sales, were all centralised.

The only major exceptions to this pattern were the Scottish factories, which were all largely devoted to the same market of military avionics and which have been managed as a relatively separate unit for many years.

Starting in 1970, there was a gradual shift towards divisionalisation, culminating last year in the merger of the three computer-based groups into one group; there are now six divisions in the company as a whole. But it was only a few months before the 1974 crisis that many of the key functions began to be shifted from the centre to the field. The transfer of maintenance to the divisions has already cut some overheads by 25 per cent., while the increased divisional responsibility for industrial relations promises a more rational approach to incentive schemes and the like.

Much of this decentralisation was under way before the arrival of Mr. Alun-Jones, but in the minds of his colleagues he has given it a greater overall direction and impetus, as well as adding certain aspects. One example is a revision in the method of capital applications, where everything used to come up to the centre; he has tightened the procedures where necessary, and decentralised elsewhere. He has also decided to decentralise debtors and creditors, which might not have happened under the original, halting approach to decentralisation.

"The whole theme has been to transfer costs to the divisions," he says, in order to make the divisional managers—each one of whom now has a financial controller—very much more aware of the overheads (and the need to reduce them). This marks an end of the era when costs were simply shared out to the departments or divisions.

Intimately linked with the lack of proper decentralisation in the past was an inadequate planning and reporting structure. Mr. Alun-Jones says proper monthly reports were not generally made, still less a formal five-year or even one-year plan, against which divisional and corporate performance could be judged. He has formalised and extended the monthly reports, and also receives weekly reports on the cash flow position. The company's forward planning will fit into the NEB pattern of one-year plans being produced each February, with a rolling five-year strategy going forward each October.

Another innovation by Mr. Alun-Jones is the executive committee, consisting of the five U.K. divisional managing directors in addition to Mr. Alun-Jones, the technical director and the company secretary, and to which the finance director will be added. This means monthly, a week before the Board meeting, as a strong central organ to oversee the divisions.

Except in the case of the finance director, the emphasis is on using Ferranti's existing personnel. With new motivation at the centre, Mr. Alun-Jones says it should only be necessary to change attitudes, not managers themselves.

In many a former family business, where the family retains a large shareholding, such changes in structure and approach could have caused personality problems. The relationship with Sebastian de Ferranti, however, is "excellent," in Mr. Alun-Jones' words. "He has supported the changes in policy as being in the interests of the company and all the shareholders."

The 50 per cent. stake in Ferranti's voting equity, which the Government obtained in exchange for its financial aid, has now been transferred to the National Enterprise Board, but the Ferranti management do not appear to be dominated by the relationship. Apart from the one-year and five-year plans, which are (or will be, in the case of the latter) discussed with the NEB in largish meetings, the NEB gets the Board minutes, as well as monthly financial information. Mr. Alun-Jones is the normal channel of communication, though his accountants receive the occasional query on statistics. He has had meetings with Lord Ryder on only about five occasions, and irregularly, when the need arose.

Whether the NEB will become a more pressing shareholder when Lord Ryder enlarges his "electronics" team remains to be seen. So far, many of the contacts have concerned Ferranti's main "problem areas," particularly transformers and electronic components. With hindsight, it is now obvious that the power division should have been sold, or should have diversified several years ago, before running up £8.5m. of losses between 1970 and 1975. Similarly, Ferranti should have followed all its international semiconductor competitors into the Far East for the low-cost assembly of electronic components.

Urgent search

After a series of redundancies, talk of selling the transformer business has given way to an urgent search for diversification opportunities, but it is clear that this cannot bring a quick end to the years of losses. Whether the components division can return quickly to the black depends partly on how long it takes to resolve the future of the 300-employee assembly plant at Barrow; negotiations about its closure are continuing.

Short-term steps have been taken in other parts of the company, such as the streamlining of product lines and the closure of one of the smaller factories in the instrumentation division. But medium-term changes are also needed, if the whole company is to achieve a proper return on capital: Mr. Alun-Jones is aiming for 20 per cent., the rate achieved already by several divisions. Apart from transformers, instrumentation (especially meters) and electronic components are the main ones on the agenda. Joint ventures are one of the options in components, and talks have been under way with Plessey for some time.

But the resources of some of the more successful divisions could also be exploited more fully. This applies not only to Canada, but also to computers, where Mr. Alun-Jones says that in future the company would not develop two types side by side (this was the result of the previous separation of the military and civil parts of the division).

So long as the transformer division is a drain on the company's management and financial resources, Ferranti is bound to have a "lame duck" image, however undeserved it may be. Resolve that problem, and its regenerated management could turn it into one of the NEB's star performers.

65 PENSIONS and BENEFITS

What will have to be disclosed

BY ERIC SHORT

THE GOVERNMENT'S thinking on member participation in pension schemes was given in a recent White Paper, and the matter, of vital importance to employers, has been discussed at great length. But it seems that the Government's view, in the White Paper on disclosure of information to members about their pension schemes, has passed unnoticed. Yet, this also has considerable implications for employers.

Disclosure of information is just one important aspect of the whole problem of communications between the company and its employees. Yet until recently the matter has been sadly neglected, although the fault has not been entirely the employers'. Even now, not many employees are very enthusiastic to talk about the subject and trying to communicate can be an uphill climb.

There are two main areas of the communications problem for the employers to concentrate on at present. The first is the one-off task of explaining to employees the current relationship between the new state pension plan and the company pension scheme and to tell them what the company intends to do about pension provision. Regulations under the Social Security Pensions Act 1975 have put a legal obligation on employers to consult with employees and their trade union representatives.

Well advised

If consultations are going to be meaningful, the employer would be well advised to start at square one in most cases and explain in general terms the 1975 Act before discussing the company's own position. And he will need to use simple language, not an easy task when the Act and its accompanying regulations are littered with technical terms such as "guaranteed minimum pension."

Communications is a task for professionals—the employer is not likely to achieve much by sending the personnel director or manager round the branches unless that person has been specially trained. The larger pension consultants, the consulting actuaries and the life companies have now entered the pensions communication field in a big way and are giving a lot of thought to the problem. Some firms have even engaged professional communications consultants to advise on the problem.

The system the consultants generally use is to talk to the workforce at their place of work, using visual aids to explain the position, and then to deal with individual queries. This is followed up by explanatory booklets designed to allow each member to ascertain his own position in the pension scheme, his benefits entitlement and the contribution position.

> The implications for employers in the Government's plans for disclosure of information to members of pension schemes are considerable. Yet little notice has been taken of this

The consultants have adopted a very flexible approach to these meetings: what is suitable for one company could well be inappropriate for another company. Employers would do well to make maximum use of the services of their pension consultants.

The second main area in communications is the ongoing one of telling members about the scheme. This can be subdivided into two functions: one to provide each year a benefit statement to each member, the other to publish an annual report and accounts of the pension scheme —similar to the company's annual report. It is this second area which the White Paper has dealt with and intends to back up with legislation.

The Government's intention is that members should receive benefit statements automatically and it proposes to specify the form of such statements. But it is questionable whether they should be sent automatically since an employee aged 30 is not likely to be interested in a series of payments starting in 35 years' time. It might be better to give members the right to be provided with a benefit statement if requested.

At the same time, it should be left to the company to decide how it presents the statement and the Government should lay down only minimum requirements, if that. Some companies are discussing with employees and unions the best means of providing benefit information and the Government could encourage such talks rather than impose its ideas on schemes.

The Government is also very concerned that pension scheme members should be kept fully informed of the financial state of the underlying funds and even receive a general statement of investment policy. It even says that actuarial reports should be available to members on request.

The actuary has to investigate the financial position of the fund and determine whether the value of the assets exceeds the present value of liabilities. Hence, his report on the solvency of the fund must by nature be technical. On the other hand, all the member is really concerned with is whether the fund is solvent or not. If it is not solvent, then the Occupational Pensions Board is going to be very interested in the actuary's report and will be taking action. So there will be little that the member can do.

Problem

The problem will lie in presenting the financial picture of the pension fund. If it takes the same form of a highly informative company report then only investment analysts will be able to interpret the accounts. On the other hand the information should be available to experts acting for the members' trade unions.

The answer is for an individual company to act with its advisers to find out which form suits its own employees — and consultants now undertake this task. Possibly a one-page summary is all that most members would require, but unions and staff associations could be given more detail in book form. The problem is likely to arise in describing investment performance, especially in times of a bear market.

Assets should never be considered in isolation from the liabilities of a pension scheme. But the actuary usually reports every three years except in the case of the very large funds. The consultants are still giving a lot of thought to the question of how to present fund performance which will not have members clamouring for the investment manager to be sacked when the market falls.

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CLEVELAND COUNTY
The new centre in the North East

BUSINESS PROBLEMS

BY OUR LEGAL STAFF

Commodity deals tax

Referring to your reply of May 19 under the heading Commodity Deal Tax, surely if one is regarded as "trading" then this activity must be taxed as earned income. How, therefore, as suggested in your reply, can the profit derived from trading be taxable as investment income?

British tax legislation is rarely simple and sometimes appears to be based on a perverse logic. You may recall the answer published in the Finance and Family column on November 1 last year under the heading "Three classes of income," in which it was explained that income may fall within the definition of earned income set out in section 530 of the Income and Corporation Taxes Act 1970 or within the definition of investment income set out in section 32(3) of the Finance Act 1971, or may be excluded from both definitions. The profit from an isolated adventure in the nature of trade (such as that mentioned in the question to which you refer) may well fail to satisfy the definition of earned income and therefore fall within the definition of investment income, in the absence of specific exclusion from that second definition.

Cancelling a winding-up

If a private company has applied for members' voluntary liquidation, can the application be cancelled?

An application would have to be made to the court to stay the winding-up. It might be simpler to complete the winding-up and to form a new company.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

RAS

RIUNIONE ADRIATICA DI SICURTA'
Milan — Italy

The Annual General Meeting of Riunione Adriatica di Sicurtà was held in Milan on 28th June 1976.

The Directors' Report and the Accounts for the Company's 137th Financial Year ended 31st December 1975 were adopted.

RAS met the challenge of a difficult year for the insurance industry in virtually all countries, particularly Italy, by strengthening its organization structure and laying special emphasis on the quality of the service it provides to its policyholders.

The Company's premium income rose by 34% in 1975. A further significant advance was achieved in the life business, where growth over the previous year was 36.5%.

Satisfactory or break-even results were recorded in the Fire, Accident and Credit and Bond Indemnity Branches, whereas underwriting losses were incurred in the Theft, Marine and Hail Branches.

Detailed information was given at the Meeting on the numerous Subsidiary and Associated Companies forming part of the RAS Group, whose interests extend over 38 countries in all five continents.

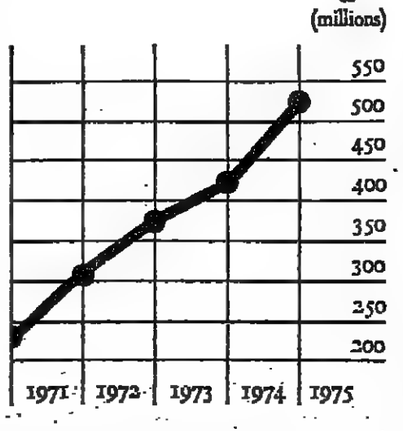
The profit for the year has enabled the Board to recommend a dividend of Lire 600 (the same as the previous year) on each of the 1,920,000 shares in issue, payable as from 5th July 1976.

HIGHLIGHTS OF ACCOUNTS (£) (*)
RAS ONLY, DOMESTIC AND FOREIGN BRANCH OFFICES

1974		1975
120,975,856	Premium Income	162,428,063
13,381,126	Investment Income	16,590,027
58,532,251	Claims, Maturities and other Benefits paid	76,364,525
75,553,242	Insurance Reserves, Non-Life Accounts	95,669,587
157,409,944	Insurance Reserves, Life Accounts	202,753,773
1,120,271,833	Life Sums assured	1,519,470,450
6,297,147	Share Capital	6,940,930
22,477,907	General Reserves	38,571,068
855,253	Profit for the year	835,912

(*) The original Italian Lire figures for 1974 and 1975 respectively have been converted into pounds sterling at the official exchange rates ruling at the end of each year, i.e., £ 1 = Lit. 1,524.5 at 31st December 1974 and £ 1 = Lit. 1,383.1 at 31st December 1975.

PREMIUM INCOME OF THE RAS GROUP (ITALY AND ABROAD)



SALES OF THE RAS GROUP

Premium income in 1975 (in £) (*)

RAS and L'ASSICURATRICE ITALIANA (in Italy and abroad)	285,961,305
Other Italian Group Companies	38,801,087
Foreign Group Companies	186,843,589
Total premiums	511,605,981

RAS Group Life Accounts, total Sums assured . . £ 2,359,459,355

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For Share Index and Business News Summary Ring: 01-246 8026
Birmingham: George House, George Road 021-454 0922
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WEDNESDAY, JULY 7, 1976

The duties of directors

Most people nowadays accept that a public company has udites and responsibilities that go beyond that of making profits for the shareholders. The problem is that these responsibilites have not been clearly defined and that the sanctions against a company which fails to fulfil them are weak or non-existent. This is especially true if the company, like Lonrho, is dynamic and apparently successful.Shareholders are generally more interested in the size of the profits than in the methods by which they are obtained. The loyalty of Lonrho shareholders to Mr. Rowland, the chief executive, was made clear in 1973, when Sir Basil Smallpeice and other directors failed in their attempt to oust him; there is no reason to suppose that this loyalty will be undermined by yesterday's report from the Department of Trade inspectors.

Independent

Yet the report, which is highly critical, pinpoints weaknesses which a good many other companies as well as Lonrho suffer from, though perhps in not so extreme a form. One concerns the extent tow hich the dominant boss of a company can hold some of his colleagues in thrall. The report describes the financial links which existed between Mr. Rowland and two of his fellow-directors, Mr. Ball and Mr. Ogilvy; it was intended to secure their loyalty to Mr. Rowland and, according to the inspectors, it tended to have that result. This made it more difficult for the Board to perform what the inspectors rightly describe as its primary function, which is to provide an independent check on the performance of the chief executive.

Secondly, the widespread belief among members of the public that directors are in a position to use their companies for personal advantage will be given some support by the Lonrho report. The option arrangements in the Nyaschere mine in Rhodesia and the purchase of a London flat for Mr. Ball (for which there was "not the remotest justification," in the inspectors' view) are two examples described in the report.

Thirdly, there was a persistent tendency forj Mr. Rowland, supported by his acolytes, to withhold information not only from shareholders but also from other members of the Board. For example, in order not to exacerbate the opposition to the proposed appointment of Lord Duncan-Sandys to the chairmanship, the payment of the £130,000 compensation for the loss of his consultancy agreement was not disclosed.

No one doubts the drive, ability and energy which Mr. Rowland has devoted to Lonrho, nor his conviction that he, and he alone, will "protect it to the bitter end," as he told the inspectors. Judging from the defiant statement issued by the Lonrho Board yesterday, there is no great eagerness on the directors' part to force Mr. Rowland to "operate within the ordinary processes of management," as the inspectors recommend. Indeed the directors might argue that if Mr. Rowland was shackled in this way the company would cease to function effectively.

But this surely cannot be the end of the story. Quite apart from the possibility that the group is now too complex to be managed by a single buccaneer (a possibility which the Department of Trade report is not concerned with), the principle of a large public company, with 100,000 employees around the world, being run as a personal fiefdom is, to quote Mr. Edward Heath, "unacceptable." The fact that the practices criticised in the report are not on the same scale as those recently admitted by companies like Lockheed and Gul in the U.S., does not make them less wrong.

Reputation

In the U.S. the pressure for management changes has come from shareholders and directors, who have been concerned about the reputation of their companies, and from the Securities and Exchange Commission. The question which the Lonrho report raises for the U.K. is whether the exercise of the duties of directors should be more clearly defined and more strictly monitored, so that a strong-willed chief executive cannot ride roughshod over the Board.

Towards expenditure cuts

THE MAIN point of practical importance in the Chancellor's speech yesterday was his formal recognition of the fact that GNP is likely to increase by 5 per cent. in real terms during the coming 12 months against the 4 per cent. he assumed at the time of the Budget: the corresponding estimate of growth in industrial production is 9 against 8 per cent. Even before this formal recognition that business is picking up faster than expected, the recent White Paper on inflation had stated that investment has to take priority over any increase in other public or private spending for the next few years and that the country needs both to adopt a new realism in its approach to public expenditure and to accept that, for some time, living standards cannot increase in the way to which we were accustomed in the years before 1973.

Last Saturday, when presumably he had the new estimate of GNP before him, the Chancellor was even more outspoken. To reduce the public sector borrowing requirement, he said, it might prove necessary either to raise taxation or cut expenditure. Since massive tax increases in the next Budget would put an intolerable strain on voluntary pay restraint, he went on, "we may be forced into some reduction in our plans for spending next year if we are to keep recovery moving steadily forward till we achieve full employment."

Profitability

He was careful to stress, it will be noticed, that if the Government is forced into expenditure cuts it will be because of the demands of the domestic economy rather than those of international bankers. Although the consideration of what cuts might be made is still at a very early stage—yesterday's Cabinet meeting was the first at which they were discussed—the Government will clarly be anxious to make its intentions known, at least in outline, well before the possibility arises of having further recourse to the International Monetary Fund.

The main subject of the debate itself, however, was prices and incomes policy. Terms for voluntary pay restraint and modification of the Price Code have now been accepted in a fashion by both the TUC and the CBI. So far as the TUG is concerned, the main thing is not to be distracted by the drama of the voting into assuming that wages are now under satisfactory control for the next twelve months: as economic activity grows, pressure to get round the terms of the centrally-agreed terms at local level will undoubtedly increase. So far as the CBI is concerned, the point is that the Government, despite its new recognition of the need for much greater profitability, has so far moved only a very small way in the necessary direction.

CBI attitude

That, presumably, is why both organisations are already looking forward to what will happen after the summer of *next* year. Some union leaders have said that another period of voluntary restraint is out of the question, but others have realised the risk of taking controls off suddenly at a time of buoyant activity and the Prime Minister has given a broad hint that Stage Two must be followed by a more flexible Stage Three. Since, in the eyes of the Government and the TUC, price control is a necessary concomitant of wage restraint, it is not surprising to find that Mrs. Williams is assuming that price controls of some sort—though, she hopes, of a more flexible kind—will be with us for "a long time." It is considerably more surprising to find the new head of the CBI, Lord Watkinson, proclaiming that its members now accept the need for price control as the counterpart of wage control and suggesting that the CBI is ready to promise an increase in capital investment under certain conditions. Controls over any length of time distort the economy and investment depends on profits.

The international pharmaceutical industry has seen its profits under pressure. **Rhys David** reports.

Drug makers fear growing government intervention

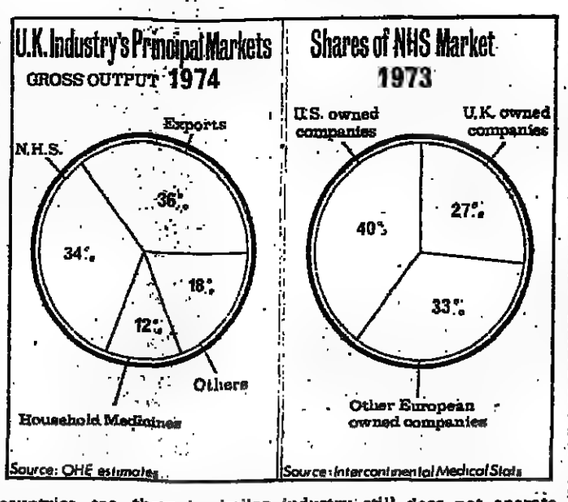
OVER THE past few months the phadmaceutical industry has once again come under attack in a number of countries for charging excessive prices. Part of this may be the delayed backwash of the British Government's row with Roche, the Swiss-based concern, which was settled last year, but the trend towards increased intervention by governments is worrying all the manufacturers. This week the Association of the British Pharmaceutical Industry (ABPI) warned in its annual report that if profits went on falling, as they have done since 1967, the industry's ability to finance research, boost exports and do the other things expected of it would be in jeopardy.

In Denmark within the past few weeks Roche has come under price scrutiny, and in Germany another case in which Roche is involved is still going through the courts. In Belgium companies have been ordered to put prices back to last year's August levels, while in France the Economics Ministry has recently taken action to reduce the prices of some 250 widely-used medical products, and has followed this with instructions to ten companies to cut back anti-biotic prices.

The EEC has similarly become involved, imposing a heavy fine, again on Roche, for what was deemed to be a breach of anti-trust rules, though an appeal may be lodged in this case.

The dilemma is that most countries want to have a strong pharmaceutical industry because it is a high added-value industry with jobs for highly skilled workers and the prospect of good exports. Also the industry is not heavily dependent on imported raw materials, is not energy intensive and does not produce environmental problems. Hence the importance attached by the Government to attracting new projects like those announced recently by the U.S. concern, Merck, Sharp and Dohme, and by Roussel-Uclaf, the French subsidiary of Hoechst. In Britain the Chemical Industry Economic Development Committee, in a recent report on chemical prospects 1975-85, pointed out that pharmaceuticals had been one of the major growth sectors within the industry in recent years and because of the characteristics already mentioned was well-suited to the U.K.

While this has been a reason for encouraging the industry, however, its growth has coincided with the spread of comprehensive medical care schemes around the world, and here the Government interest is very often different. In the U.K. the drug companies sell the bulk of their product to a monopolistic State buyer, the National Health Service, which is under continual pressure to reduce its costs. But in other countries, too, there is similar pressure to keep treatment costs down.



This is at a time when the industry is faced with increased costs, sometimes as a result of Government measures — for example increased product safety regulations. Research costs are also rising, partly because of inflation and partly because the rate of discovery is slowing down, as the industry concentrates on the more intractable illnesses where breakthroughs are proving more elusive.

The length of research which goes into developing a new and successful product can now amount to as much as seven years compared with 3-4 years a few years ago, according to Dr. Peter Cunliffe, chairman of ICI's pharmaceuticals division. In the same way, the number of test formulations needed to find one successful product can now be 15,000 compared with 5,000-6,000 some years ago.

For this reason the industry has sought to recover its costs in a number of markets, and to charge good prices for products in the short time before imitators are allowed in with similar but cheaper formulations. Total sales in Britain—around £500m. last year—amount to about 4 per cent. of the world market, and if the industry only had a market of this size to aim at, it would not be able to justify the level of research currently carried out in the country.

However, the internationalisation of the industry has heightened suspicion about its activities, and in particular its handling of transfer prices, and the effect has been to increase further the pressure under which the industry works. The latest example in Britain has been the recent publication by the Labour Party of a working party document which recommends much tighter controls over the U.K. pharmaceutical industry and the nationalisation of at least one major company.

The document claims that despite improvements over the last decade the pharmaceutical industry still does not operate wholly in the public interest.

The criticisms, though fairly sweeping, are not new—and indeed the nationalisation proposal does not go as far as earlier demands, rejected by the Sainsbury's Committee's report on the industry in the 1960s. Nevertheless the proposals are causing concern in the industry not least because the working party was chaired by the present Health Minister, Dr. David Owen.

The main concern according to Mr. Michael Peretz, president of the APBI is over future levels of investment in Britain where the 75 main producers consist of 30 U.S., 20 U.K., and 25 Continental manufacturers. The industry points out that the latest investment announcements reflect decisions taken some time ago and that there is a danger the U.K. could miss out in the next spending round. Signs have emerged in recent years that because of uncertainties, some overseas companies are reluctant to continue their build up in the U.K., and a substantial proportion of the American capital coming to Europe is now going to Ireland.

New projects valued at around $200m. have been announced for Ireland over the past three years, partly encouraged by very generous Government incentives, and major names such as Merck, Schering-Plough, Warner-Lambert, Smith-Kline, Squibb, Pfizer, Eli Lilly, and Syntex currently have Irish schemes in hand.

Yet although the Labour Party document has introduced a new element of uncertainty, the present Government in some of its actions is showing awareness of the need to support the industry, and in particular its export performance. The industry last year had total sales abroad of £373m. — a higher figure than sales to the NHS — with imports amounting to £97m., but a threat to this performance has arisen partly as a result of the pressure constantly exerted on its U.K. prices.

In looking for cuts in drug prices, overseas Governments have begun to use the much lower prices in the U.K. as a benchmark, and to ask U.K. exporters why products should cost more in their markets than in Britain. One example of the confusion being caused by widely-varying prices in differing countries was a recent case in the Netherlands involving the distributor Centrafarm. The company found it could buy tranquillisers in the U.K. very cheaply and its right to do so and undersell their manufacturer Roche, which was supplying from Switzerland, has been upheld in the European Court. The decision, unless reversed, may also have major implications for the free distribution of drugs in the EEC. Though in this case the U.K. has benefited, in other instances distributors could undercut our exporters by buying over here at British prices.

Partly to correct the export price problem and to counteract inflation, the industry was last year allowed an average rise of some 26 per cent. in prices. Its return on capital on sales to the NHS has fallen, nevertheless, from 27 per cent. in 1967 to only 15 per cent. last year—not nearly enough, the ABPI claims, to justify the heavy risks involved in research expenditure.

A further indication of the Government's attitude will also be given when discussions on the industry's promotional expenditure — another major area of criticism—are concluded.

The expenditure on research and promotion has been roughly in balance in recent years. Both have represented around 12 per cent. of U.K. sales, though the proportion has been declining. One of the critics' main arguments is that nationalisation would make it possible to alter this proportion in favour of more research.

The industry's reply is that it is not worth conducting more research if limits are put on communicating information about discoveries, and that, furthermore, the level of U.K. promotional expenditure is already substantially *below that of most* other countries.

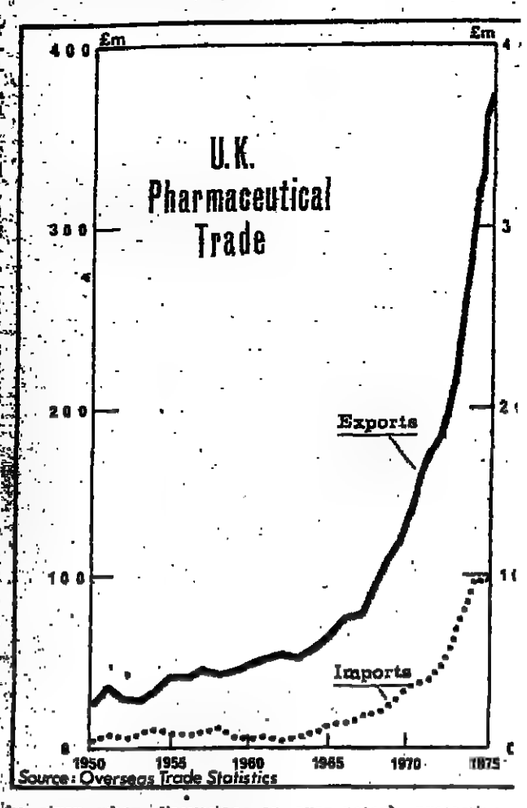
But although this argument has had little effect on the critics there is evidence that the Government's earlier calls for a 25-30 per cent. reduction will be modified. A substantial cut, the industry has pointed out, would have reduce significantly the revenue of some of the learned international medical journals published in Britain. As a result it seems likely that when new proposals are put forward as expected shortly by the Government, there will be a formula allowing some magazine advertising to be classed as non-promotional. Thus, part of the reduction in promotional spending could be cosmetic.

The industry is hoping that resolution of this dispute can be accompanied by a settlement of its long-standing grievances over patents protection. Section 41 of the Paten the Government can licences to rival compa produce patented goods. result according to the in is to discourage innova favour of copying, and courage investment in th by foreign companies wh choose locations with patent protection. A G ment-appointed committ commended several yea the repeal of Section the Government has so fa reluctant to do so. To e industry's fears on pater tection, Dr. Owen, the M of Health, would again h run counter to the advice Labour Party Committ chaired, which recomm retention of Section 41.

The industry remains dent that providing the in which it operates is able the U.K. drug sect continue to make a sub contribution not only British economy but to health as well. But to d feels there must be reco that it operates in an tional context.

Some recent signs there is perhaps a greater standing developing the manufacturers or the G ment would be prepar admit of the industry's n

Much will clearly depe whether Government develop along the lines Labour Party docume whether it is influenced more moderate proposa forward by the Chemicals



INDUSTRY OUTPUT INDICES

1970=100

	All manufacturing industry	All chemical industry	Pharmaceutical chemicals and preparation
1968	96	90	77
1969	99	95	89
1970	100	100	100
1971	100	102	101
1972	102	108	106
1973	111	122	125
1974	108	128	134

% growth rate per annum	1968-74
All manufacturing industry	2.0%
Chemicals	6.1%
Pharmaceuticals	9.7%

Source: Department of Industry

MEN AND MATTERS

Can anyone keep Maxwell down?

Robert Maxwell, chairman of Pergamon Press, was in great form yesterday. He was announcing that Pergamon Press —now wholly owned by the U.S. company Pergamon Holding Corporation and with the shares in that holding company firmly held by Mrs. Maxwell and her French relatives—has "fully recovere its former prosperity in less than two years from its traumatic involvement with Leasco, the City Panel on Takeover and Mergers an dthe DTI inspectors.

The irrepressible Maxwell insisted it was complete coincidence that he should produce his (now prive company) figures on the day that the DT reported on Lonrho was published. Nevertheless he took full advantage of the coincidence to have another bash at the DTI system. (He is, after all a veteran, since the inspectors into Pergamon produced no less than three reports.)

He also went to great lengths to point out that the Pergamon accounts have been audited by Coopers and Lybrand—the auditing firm which was appointed by Leasco, and since there is no auditors' qualification the results must be accepted as being prepared according t o the same accounting procedures which Leasco set down when it had *de facto* management control of Pergamon.

Maxwell also claimed it is a total coincidence that the progt forecast for the current year means earnings per share exactly equivalent to the 12p a share bid to which Pergamon shareholders succumbed two years ago. Privately, he expected that his £1.65m. profit forecast would be exceeded and that £2m. would be nearer the mark. However he did admit that at least a quarter of that would come from windfall profits as a result of exchange rate fluctuations.

At his complete ease in a suite at Clariges yesterday he gave the impression that he didn't have a care in the world.

"They're so used to rainy days it's never occurred to them before to save water."

Brown greens

As the drought worsens, the first to face a change of life-style may be Britain 2.2m. golfers, for the putting surfaces of England have a prodigious thirst.

On the other hand an outright ban on watering golf courses could ruin some of them for years, a problem at present exercising the nimble brain of Hugh Stovin whose company, Alphagreen, runs five golf courses.

The one that is most threatened at present is the Cold Ashby Golf Club near Crick, in Northamptonshire, in the dry-as-a-thistle territory of the Anglian Water Authority. Alphagreen has the 125-acre Cold Ashby site on a long lease and has so far invested £130,000, mainly on building the course and on converting a farmhouse into a clubhouse.

Says Stovin: "In this sort of weather a golf course consumes *approximately 1,000 gallons per* green per watering which is 40,0000 gallons a week for two waterings.

"At the same time it is a well-known statistic that every man, woman and child in this country uses 40 gallons, domestically, per day, so what we may have to do at Cold Ashby is ask our 600 members to forego their showers. In this weather they just stay under the tap.

"We reckon they are using *15-20 gallons per shower.* For a golf course with an average of 1,000 playing rounds a week, that is 20,000 gallons, or half what is neede dto keep the golf course alive. Our members may have to make a simple choice: go without a shower or go without their golf."

Alphagreen's other courses are at Carshalton, Orpington, Edenbridge in Kent, and St. Albans. Stovin says that they cater for the popular end of the market. "For Heaven's sake don't say the bottom end. The notion that golf is still the preserve of the middle classes is a myth. After fishing it is the second biggest participant sport there is. We've got 60 London dockers as members at Orpington."

Stovin first went into golf-course ownership when he realised that the return, per acre, could be as much as ten times greater than that from farming—he used to farm 350 arable acres from which one of his courses has been fashioned. His company is now turning over around £500,000 a year and is planning to branch out into golf-course design, construction and finance

Better-off blues

Still with sport, the Varsity Rugby match is to have a sponsor for at least the next three years, and probably longer. C. T. Bowring, the insurance group, is to put up £10,000 a year which the Rugby Union will *then split between the* Oxford and Cambridge University clubs. Grateful as the varsities will be, I suspect they might prefer some of the ex-players who now work for Bowring—Barry John for one.

The oldest Smith

My friend Smith is causing a good deal of interest. Following my first story about his golf club captain taking a bath in his Rolls a reader yesterday supplied the story about the chauffer who answers the radio telephone in the Rolls and says to the caller that he will just see if his boss is in.

To-day I report what I believe to be the daddy of all these Smith stories, and I promise you that I do it by popular request. This is the one about the time that Smith finally gets his radio telephone in his Rolls, rings his boss's, only to be told by the boss's secretary that he is on the other line.

What amuses me most is the different names which different readers quoted yesterday as being involved in this apocryphal story. For example one mentioned Clore and Wolfson, while another plumped for Cudlipp and King. My favourite, however, was the last of a number of callers who suggested that I should print this story. I asked him which names in his company he wanted to attach: "Oh dear me no," he replied, "we don't even have a chairman who has a Rolls Royce."

Observer

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هكذا من الأصل

Bordeaux has recovered from the scandal of adulterated wine, but **Rupert Cornwell** finds that the structural problems remain

Why old claret will need new bottles

IS A quiet month in ux. Most of the big wine are leaving on holiday, the trade's eyes are ingly fixed on the coming vintage, made or broken weather from August s, and whose excellence of it can have a drastic on prices for previous

year the atmosphere is r than ever. The x tucked in the gentle f the Médoc bask like in the summer heat. The has already made it hat the harvest will be f it continues the vintage e great, but heavy rains rms could spoil every- For the moment the side stands parched and The speculation and which kept the world's own wines in the head- etween 1972 and 1974 ,000 years ago.

truth though is rather t. Only now, almost two fter the trial which saw se cousins, Lionel and nvicted of fraud, are the sequences of that tumul- period unfolding. The itself was but the tion of a sequence of beginning with the disas- peculation that doubled of ordinary *Bordeaux ur appelation controlee* two years. It was fol- y a plentiful harvest in nd the world slide into and recession.

reputation of Bordeaux *has been repaired, and* e booming, helped along eturn to normal prices. at happened has been to destroy the structure wine economy of x, and the shape of the y is changing rapidly. ne continues as before, unchallenged rule of the *négociants* who bought, aged, and sold it, is crumbling. In their place there is emerging a new generation of managers, and with them Bordeaux is being brought up to date.

When the upheavals began in 1970, Bordeaux wines after a decade of stagnation were underpriced against their main competitors. That year's vintage was good and brought a flood of buying. The 1971 was inferior, but interest grew. Twelve months later clarets had become the hottest thing since Californian gold in 1849. No matter that the vintage was nothing to speak of, everyone believed that prices had nowhere to go but up. There is a wide choice of culprits: U.S. investors, multinationals, or whoever, but a large number of *négociants* joined the scramble. Next, 1973 produced a plentiful vintage and prices tumbled, helped on their way by the gathering economic crisis. Everyone had forgotten that the pie could only continue to grow if consumers were prepared to pay more. After the oil crisis, they weren't.

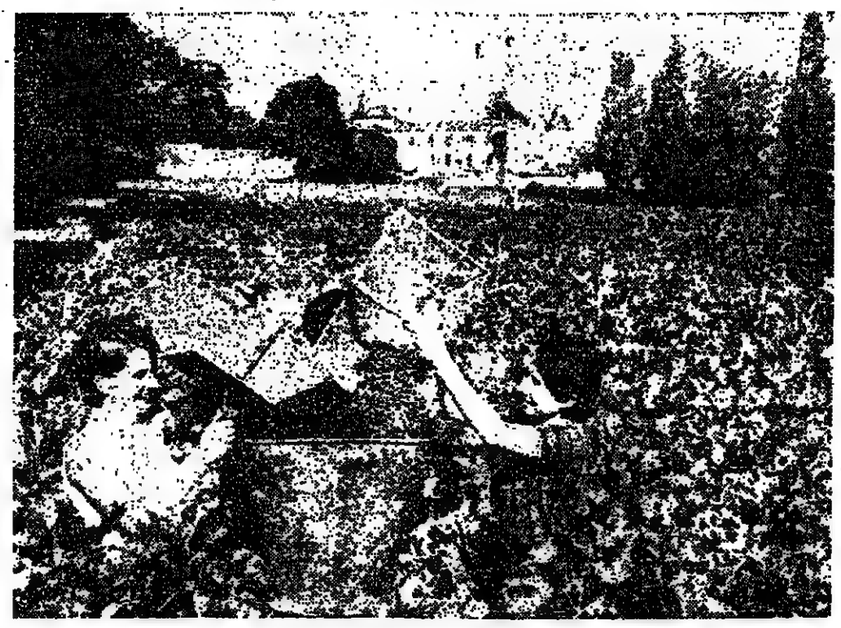
Wreckage

From the peak of Frs.4,000 (about £475) for a 96-dozen bottle cask, the price fell to near Frs.1,000. Everyone was hurt: the consumer by the rocketing prices which, as is their wont, came down much more slowly than they went up, the grower who after a brief spell as Midas found prices quickly back below his break-even point of Frs.1,700. But no one suffered a greater blow to pride and pocket than the *négociant*. "The unbelievable greed of Bordeaux," one of them laments to-day surveying the wreckage.

And wreckage it is. The financial state of the trade is dreadful. The houses that dabbled in 1971 and 1973 find themselves paying high interest rates on stocks lying unloved in their cellars, worth a third of what they paid for them. Illusions have been lost and an elite brought to its knees. True, prices have picked up with the high quality 1975 vintage. True, sales are rising again, as the foreign buyers return (especially those who held off in the gold-rush) and can buy more cheaply dumped wine. True, in France, where two thirds of the Bordeaux wine is sold, sales are at a seven year high.

But this may be insufficient to save many a *négociant*. Staff are being laid off and the air is thick with pessimism and worry. Some foreigners are withdrawing—such as Bass Charrington which wants to get rid of its trading subsidiary, Lichine. And Bass, which also owns the second classed Margaux *château* of Lascombes, is precisely one of those multinationals everyone thought could and would ride out the storm. In the general shake-out a number of *châteaux* themselves are reportedly for sale as well.

So what is to happen? "Changes are certain soon," says M. Bernard Ginestet of the celebrated *Maison de négoce* that bears his name. "But Bordeaux has been extremely conservative, so the change will be all the more abrupt. We shall have a stable situation only when we have just 10 big firms (instead of 400-odd to-day)." M. Ginestet, reportedly in trouble and said to be contemplating the unpleasant prospect of selling Château Margaux, the first growth that has been in his family for four generations, may be too gloomy. But the trend is unmistakable.



Harvesting grapes in the claret country.

Some foresee mergers, perhaps prompted by the Government, to create groupings with the turnover of Frs.150m. judged the minimum for security. The biggest to-day rarely top Frs.100m. Others expect takeovers from outsiders with the money to smooth out *the distortions and offer export* outlets, but Bass' example does not augur well. The most extreme view is that the *négoce* will shrink to the role of distributor, leaving just a few specialised merchants to deal on a highly personal basis. In the meantime, though, power is moving to the merchants which kept out of the market in the giddy years, and perhaps to the growers themselves.

M. Ginestet likens the Bordeaux wine market to an inverted pyramid. For the outside world Bordeaux means classed *châteaux*, but these only account for a small proportion of the overall 5m. hectolitres produced each year, half red and half white. The most celebrated *appelations*, Medoc, Graves, and Saint-Emilion, for example, between them produce only 380,000 hectolitres of a total A.C. red output of some 2m. hectolitres. Yet it is they, and above all the 157 classed growths they contain, that set the trends. The *châteaux*, the most famous wines in the world, will survive whatever happens, but not the rest—the 30,000 producers operating with four hectares or so each (against 45 hectares for Château Margaux, for example).

The cash problems of the *négociants* mean that they can no longer buy up production as they used to. The gap is increasingly filled by co-operatives (especially in Saint-Emilion), or by aggressive newcomers operating on smaller margins and buying fixed quantities to meet firm orders.

But these piecemeal solutions are no answer to the underlying need to rationalise the tiny producers into more economic groupings, to tackle the structural problems of the white wines side, and sort out the jungle of *appelations* and *châteaux* which simply aren't *châteaux* except on bottle labels. These may not be issues worthy to be set alongside the respective merits of a 1955 or 1961 but they go to the heart of Bordeaux. Into this complex situation has stepped the long ineffectual wine trade body, the CIVB (Comité interprofessionel des vins de Bordeaux), with sweeping proposals of its own.

Led by a new president, M. Jean-Paul Jauffret (brother of the tennis star François), the CIVB is on the move. The growers who left it in disgust at the 1974 price collapse are back, and the committee, helped by fresh minds and professional public relations support, plans to use the uncertainty to establish itself anew. Representing both *négoce* and growers, it failed to prevent the upheavals of 1970/74. It has a scheme to eradicate such fluctuations, centred on a buffer stock whereby wine would be taken off the market when prices fall, and pushed onto it when demand rose unduly.

Intervention

The aim is to keep prices in a spread of Frs.2,000 to Frs.2,400 per cask, nudging the hand higher to keep in line with rising overheads. The difficulty *though is to finance* the intervention wine, which would be "borrowed" from growers in return for a 12 per cent. bonus. M. Jauffret also intends to modernise the cobwebbed regulations surrounding Bordeaux wines, and persuade the Government to help the re-organisation of both sides of the industry.

The old guard is sceptical. "Wine isn't steel or another commodity," they say. "In any case it's too late." In fact though the CIVB claims that the merchants are in favour, and that what resistance there is really comes from the cooperatives, which have devised their own systems. The biggest unknown is the Government, which in the past has confined its attentions to making sure the best *châteaux* stay French. Indeed, the future of Margaux may in the end lie with the Agricultural Ministry without whose permission the reported bid by National Distillers of the U.S. could not go through. Local gossip says that it is for £5-£7m. Should it go through, three of the five *Premiers grand crus* would be foreign-owned — Latour (S. Pearson) and Hautbrion (the American Dillon family) being the others.

"The Agriculture Ministry has never had a policy," says one expert—and looking at the mess in the *Midi*, and the gathering troubles in the Cognac brandy region, it is hard to disagree. But there are signs of a change of heart, with the support given to the buffer stock scheme under the impulse of the CIVB.

M. Jauffret, who has threatened resignation if he fails to have his way, has bolder ideas still, including an annual conference of wine journalists in Bordeaux to give their suggestion. Bordeaux being Bordeaux, change will be slow, but such an innovation might do more than anything to sweep away the old hidebound atmosphere, so redolent of Mauriac, and of the snobbish owner who asked the name of the flowers surrounding his chaeau replied: "I don't know. *Mais en Angleterre on les appelle* begonias."

Letters to the Editor

e European urt

Fr. J Cunningham.

As one who has ventured ise in print some of the nts of the European Hermann's article in your may I add my welcome f June 30 to those letters ord Wilberforce and Pro- Dahrendorff? (July 5 and

ome extent, the 11 mem- the Court are attempting sible task. Under Article tional courts can refer to urt questions as to the tation of the Treaty aspects of this procedure leserve notice. First, the ce is direct from the l court to the European the reference does not go all the way up through tional appeal procedure n to the European Court, eans that the Court is he detailed exploration of relevant facts and factors he appeal stages permit, y, the questions referred. h arising from specific end to be framed in a way, more as hypothetistions. Again, this leads hsence of specific, fully l facts. (The English have set their faces attempting to litigate tical questions.)

ers of the European annot be expected to be ies on all the relevant of human activity, par- y policy and law relating mle matters. For exampe, *entrafarm* case the Court e view that the "specific of a patent is "*inter alia* exclusive right to utilise ction with a view to the cture and first putting rculation of industrial s" (1974 2 C.M.L.R. page hat statement is not true rds ethe United Kingdom pparently, Dutch) patent

ps the time has come for leration of the Article 177 re.

. Cunningaam.
le Gardens, EC4.

verted to mingham

r. A. Scott.

I read in your feature rmingham (July 5) that ional Exhibition Centre to have a respite during f holiday months of July gust.

seems to be a grand nity to divert incoming traffic and the road traffic generates from London to Birmingham. At the here is ample space for ing coaches and hire cars l, air and motorway con- ions to many points. are hotels for weary and early departures. s a major tourist Mecca rd) nearby.

ially when the new air- minal building is ready, d be an ideal uncongested om where tours could e. With continual bertu- he hotels would operate ficiently.

cott.
rines Road,
ford, Esser.

ctoring and dit control

he Managing Director,
H Factors

Mr. Darg's letter (July 1) many questions regard- oring it is hard to know to begin. I will try to correct the views expressed, which in my opinion are mistaken.

In introducing greater professionalism into the credit control process the factor is working to reduce the average period of credit taken and protect the debtor item. Why does Mr. Darg state: "factoring . . . ought not to be (necessary) . . . when overdue debts are eventually subject to statutory interest after, say, 30 days."? I can only assume he believes factoring is "necessary" where debtors of a client take too long to pay their bills. This is manifestly incorrect. Many clients take little or no payment against debts prior to settlement. They are paying for the factoring *service*. I am sure this is true for other major factoring houses in the U.K. Second: how could the factoring industry in America have grown to an annual rate approaching $20bn. in a situation where major debtors generally pay much more quickly than in the U.K.?

Mr. Darg is incorrect in stating clients have to discount all debts. Generally, they have to factor all debts as only in this way can the service realise its full benefits. The "discounting" or "payment" facility is optional and often secondary from the client's view. For example, only one division, one or more specified export markets, or one or more subsidiary of a group, may be fostered.

I do not agree that factoring is an "unnecessary cost." Even with a system of statutory interest the discipline of credit control will remain. Indeed, instead of reducing the need for such a discipline we might have to extend it to provide for the collection of statutory interest! The *net* cost of factoring may be nil or negative due to the expertise offered by the factor in control of the sales ledger. I emphasise that greater efficiency does not equate with inflation.

Mr. Darg's analogy of factoring to "renting a pair of crutches" is graphic but slightly unfair. Crutches do not allow the lame man to be on equal terms with his fellow citizens, nor do they overcome the inherent disability. A fairer analogy would be to liken factoring to a pair of spectacles. It does allow the wearer (the client) to be on equal terms with his fellows (the larger company with sophisticated credit control department) and corrects any defect without incurring the cost of a major operation.

M. Forman.
H. and H Factors,
Randolph House,
46-48, Wellesley Road, Croydon.

Get the money moving

From the Director-General,
The Institution of Buyers.

Sir,—How right your correspondent M. A. Darg is regarding overdue debts and inflation (July 1).

Any act of business which, in effect, gives rise to a loss of buying power is bad in itself. If that loss is compounded by the necessity of borrowing money (at high interest rates) in order to try to restore some degree of that buying power word to use.

Both Mr. Darg and Mr. Forman (June 23) must be well aware that practically every *company* which buys also sells. If it cannot borrow more money it will, in fact, Peter and Paul on its credit terms with other suppliers. My institution is only too well aware that this is happening and knows of many members whose companies use factoring as a means of ensuring better liquidity. When people used to "pay cash on the nail," however, the problems never arose. In a sense the creation of our present methods of doing business is its own cross.

Until we can get dialogues started between *all* the interested organisation in respect of overdue debts with a view to a drastic reduction in the ratio of creditors to debtors we shall stagnate production-wise and inflate money-wise. That is why the Law Commission's *Working Paper No. 66 is so* important with its recommendations to adopt statutory interest charges after an account has not been paid for, say, 30 days. That is why, as Mr. Darg says, the professional organisation representing all management disciplines should get together and grasp the nettle. For heaven's sake, let's get the money moving.

The Institution of Buyers,
Concorde House,
24 Warwick Road,
Royal Leamington Spa,
CV32 5JH.

Wimbledon in decline

From Mr. P. Easton.

Sir,—Your Wimbledon tennis round-up (July 5) offered the tropical weather as the reason for the drop in the number of spectators. Personally I believe it is largely due to declining standards, which mean that for *many, Wimbledon is no longer* the unique occasion it used to be.

Male spectators, slurping cans of beer, slauch around naked to the waist or at best in sweaty vests; the odour of the cheaper and nastier kind of hamburger has replaced the aroma of strawberries and the powergame of so many of the athletes (alias tennis players) results in "strangely lacklustre matches," as your correspondent so rightly describes them. The only bright spot was the refusal of the Wimbledon committee to give in to the ridiculous demand of a handful of the professional (and largely American) women players for "equal" pay.

Let's hope the organizers will do something to arrest the downward slide in other directions, too.

P. R. Easton.
122 Somerset Road,
London, S.W.19.

Tangled in the Isles

From the President, Scottish Housewives Association.

Sir,—In his droll attempt to portray the tangle of measuring units A. D. Denton (July 3) proves the point we raised, namely, that metric units foisted on the domestic markets of this country would but serve to further confuse and harass the public.

There is no bar to those sections of industry and science which find metric units useful to them. Our plea is for Imperial units to remain in the *domestic* markets of Britain. That in no way interferes with foreign trading: it would save costly changing of machinery, and most importantly it would arrest the demoralising effect of constant changes to the framework of daily life.

Despite Mr. Denton's "dram" is the measure that fell from *shopping use generations* ago because it was too small to be useful. To impose on us a weight half that size (the gram) to weigh onions, fish, meat, etcetera is indefensible and inept.

But Mr. Taylor (July 2) is anything but droll on the subject of and bluster, suggesting that all Britain's ills arise from our units of measure being different from those in the countries with which we trade. Two facts show this to be a wild idea without foundation: (a) U.S.A. (non-metric) is our largest single customer, and (b) Japan, although metric, has invaded with strength non-metric countries such as Britain and U.S.A.

The system of measure used to sell food and clothes in our home markets has no bearing on our external trding. It is quality, speed of delivery and customer satisfaction that the Director-General of the Institute of Purchasing and Supply would be well advised to concentrate upon.

M. Needham (Mrs.)
President, Scottish Housewives' Association,
Drumgray,
Edrom,
Duns, Berwicks

Managers and unions

From The Executive Secretary,
Association of Professional Scientists and Technologists.

Sir,—The British Institute of Management's attitude to the "closed shop" issue has provoked sharp criticism from Mr. P. Abrahams in his letter of July 2. This lack of policy by the BIM on this important issue may arise from a belief that somehow managers are excluded from the effects of recent legislation and that members of BIM *would not* be included in union claims for bargaining rights or closed shops.

The realities of the situation are quite different and demand a positive response from the BIM if it is to retain credibility as a professional institute for managers. In particular, a definite policy of whether or not managers should develop separate bargaining arrangements with their companies is called for. If so, the BIM should fulfil it's obligations to the profession and advise managers what form such arrangements should take in order to have the full protection of recent legislation.

M. I. Gillibrand.
14, Harley Street, W.1.

Frowning by the authorities

From The Acting Secretary
Society for Individual Freedom

Sir,—Discussing indexed bonds or loans, Samuel Brittan describes (July 1) one of the two major obstacles in the way of their introduction as being simply official disapproval. In his own words "knowledge that an indexed loan would be frowned upon by the authorities prevents them being made."

It is a sad state of affairs when a perfectly legal and potentially useful innovation is prevented from being tried out because authority dislikes it. But what is the mechanism through which official disapproval has such a paralysing effect on those with vision and enterprise?

Is it that mere frowning by the authorities brings every British bulldog to heel, conscious that master must always know best? Or is it rather that anyone who disregards certain unwritten and extra-legal rules will be liable to suffer unfair treatment (without redress) in respect of authority's discretionary powers?

Something must be done to stop such abuses and to remind all concerned that government by decree and discretion is contrary to liberty and justice.

Monica Day (Mrs.),
Society for Individual Freedom,
55, Park Lane,
W1Y 4LB.

To-day's Events

PARLIAMENTARY BUSINESS

House of Commons: End of two-day debate on pay and prices.

Commons Select Committees. Nationalised Industries (Sub-Committee B). Subject: British Steel Corporation. Witnesses: TUC Steel Committee. Expenditure (Environment Sub-Committee). Subject: Planning Procedures. Witnesses: British Property Federation. Committee on Unopposed Private Bills: Foyle and Londonderry College Bill (Lords) and Yorkshire Water Authority (River Derwent) Bill (*Lords*).

House of Lords: Education Bill, second reading or, if Bill not received from Commons, debate on inflation.

COMPANY RESULTS

Associated Newspapers Group (full year). Rothmans International (full year). Scottish and Newcastle Breweries (full year). John Waddington (full year).

COMPANY MEETINGS

Alliance Investment, 1-2 Laurence Pountney Hill, E.C., 2.30. Ash Spinning, Shaw, 10.30. Dundonian, Institute of Chartered Accountants, Moorgate Place, E.C., 12. F.C. Construction, Derby, 12. Foster Bros. Clothing, Solihull, 12. Gough Bros., Great Eastern Hotel, E.C., 11.30. Heath (C.E.), 14-20 St. Mary Axe, E.C., 12. James (Maurice), Coventry, 3. London Trust, 44 Bloomsbury Square, W.C., 12. Marks and Spencer, Dorchester Hotel, W., 12. Sainsbury (J.), Connaught Rooms, W.C., 12. Scottish Heritable Trust, Glasgow, 12. Shellabear Price, Weybridge, 12. Teacher (Distillers), Glasgow, 11.30. Whiteley (B.S. & W.), Otley, West Yorks., 11.

MUSIC

Nicholas Jackson (organ/harpsichord) gives Bach recital, St. Lawrence Jewry next Guildhall, E.C.2., 1 p.m.

SPORT

Golf: Open championship, Birkdale.

CAN YOUR BOARD COPE WITH NEW BUSINESS?

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Post Office Telecommunications F.T.3

COMPANY NEWS + COMMENT

Sharp rise for Trident TV in first half

TAXABLE profit of Trident Television more than doubled from £1.13m. to £2.33m. in the six months ended March 31, 1976. For the previous full years the figure was £0.28m. less at £2.05m. after deducting an Exchequer levy of £2.68m.

The new chairman, Mr. G. E. Ward Thomas reports that the increase in television advertising revenue which began last Autumn shows evry sign of continuing for the remainder of the current year—he anticipates that the first half advance will be maintained for the second half and dividend total will be the maximum allowed.

The net interim payment is raised from 0.643p to 0.707p per 10p share—last year's total was 2.111p.

Operating costs have been effectively controlled and contained below the present rate of inflation, and contributed to the improved results.

A strong revenue position is enabling more money to be devoted to programme expenditurs, says the chairman. Yorkshire Television and Tyne Tees Television have increased the number of programmes for the national network.

Mr. Thomas says that the non-television activities continued to develop with growth in Watts and Corry and the Scarborough Leisure Park.

Of the Australian subsidiary, he reports healthy growth in television rentals but the economic uncertainties have resulted in disappointing retail sales and that the company would see an overall loss there for the year. It had recently moved into a situation "in which it is breaking even on a day to day basis" and he confirms that Australia will make a "worthwhile contribution to Trident profit in 1977."

	First half 1976 £000	1975 £000
Group turnover	22,319	18 018
Profit before tax	2,326	1,126
Television contracting	2,123	1,230
Australia loss	419	510
Other activities	622	386
Estimated tax	1,450	586
Attributable	1,033	488
Television contracting	1,019	600
Australia	367	331
Other activities	301	304

See Lex

HIGHLIGHTS

Lex devotes the bulk of its column to the Department of Trade report on Lonrho. Elsewhere, first-half profits at Trident are well up thanks to the strengt hin TV Contracting and a good year is forecast. The annual report from 600 Group shows the group to be making good progress with recovery on the steel and scrap side. A recovery at Macpherson, this time in margins, has led to a substantial increase in first-half profits but at Gough Cooper there is a 21 per cent. pre-tax shortfall although the second half should see an increase in volume sales thanks to a bigger move into contract house building. Bristol Evening Post cheered the market with a strong second-half recovery reflecting higher cover charges and advertising rates while Braby Leslie is raising £0.9m. by way of a rights issue on the back of a 42 per cent. jump in profits.

£0.62m. profit for Pergamon Press

Pergamon Press, a private company controlled by the family interest of chairman Mr. Robert Maxwell since February, 1974, reports a pre-tax profit of £619,000 for 1975 compared with £343,000 for the 15 months to December 31, 1974, on turnover of £9.3m. (£9.8m.).

There is no tax charge this year—the company has £2m. of U.K. tax losses to carry forward—and the accumulated deficit has been reduced to £3.2m.

No dividend is proposed and earnings per share are given as 4.5p against 3.4p for the previous accounting period.

Unaudited management accounts for the first five months trading show a profit of £750,000 and Mr. Maxwell expects profits this year to be in excess of £1.5m., about a quarter of which may be due to foreign currency gains following a switch to dollar invoicing-exports in 1975 amounted to £6.3m.

The accounts show that Maxwell Scientific International (Distribution Services), in which Mr. Maxwell has an interest, is providing Pergamon with Mr. Maxwell's services for an annual fee of $100,000 for a period of 14 years.

Pergamon had cash balances of £1.3m. at December 31; since the year-end it has paid £310,000 towards the outstanding liability of £481,159 owed to Robert Fleming and Company, and invested substantial sums in plant and equipment.

See Men and Matters Page 18

Bristol Post improving

PRE-TAX PROFITS of the Bristol Evening Post finished the year to March 31, 1976, down from £1,153,548 to £899,536 after £348,000, against £846,000, in the first half.

Earnings are shown to be down from 10.02p to 7.17p per 25p share. The final dividend is 3.44p net, lifting the total from 4.72p to 5.19p.

	1975-76 £	1974-75 £
Profit before tax*	899,536	1,153,346
Tax	470,400	517,443
Extra-ord. profits	†12,955	52,000
Minorities	137,823	248 862
Available	304,139	438,242

* Includes profit on realisation of investments £5,796 (nil). † Profit on Debentures redemption.

● comment

The shares of Bristol Evening Post moved up yesterday by 2p to 67p with the better-than-expected results. This is due to the recovery in the second half, with profits up by 80 per cent., reflecting increases in cover prices (with only a marginal effect on circulation) and advertising rates accompanied by an improvement in advertising demand. At the same time, profits from the retail and wholesale division increased, with seven new branches bringing the total to 63. The more buoyant trends are apparently continuing in the current year, so that the yield of 12.5 per cent. and p/e of 8.8 look secure.

Lamont calls for investigation

Lamont Holdings, from whose Board Mr. Tony Buckley, former managing director of Slater Walker Securities, resigned in May, has asked the Department of Trade to investigate the affairs of Insurance General and Mortgage Investment Trust a private investment company of which Mr. Buckley was chairman and managing director.

Lamont is believed to have lost about £100,000 in IGMI arising from investments made between December 1975 to March of this year, provision for which has been made in the group's last accounts.

The statement, issued yesterday, goes on to say that "in view of the emergence of certain facts in relation to the management of IGMI and certain associated companies, Lamont has been advised that it should seek an enquiry by the Department."

London and European Securities, which Mr. Buckley also left in May after a six-month stay as director, also suffered at the hands of IGMI. Mr. John Gallacher, managing director of L and E, confirmed yesterday that "a material proportion" of its £500,000 investment losses, which were announced at the annual meeting in May, could be attributed to its stake in IGMI.

At the time, L and E said that certain investments made at Mr. Buckley's recommendation "have proved unsatisfactory." IGMI itself is now being run by L and E but the details of its problem investments in public and unquoted concerns are as yet unclear, although they are thought to include companies associated with Mr. Buckley.

Mr. Buckley refused to comment on Lamont's statement on the affairs of IGMI last night.

New product costs hit Copydex

AFTER A marginal increase from £146,956 to £141,757 in the first half, profits of adhesives manufacturers Copydex fell from £320,344 to £187,790 in 1975 subject to tax of £92,482 compared with £176,632.

The directors say that the major part of the reduction, aggregating to at least £160,000 written off to revenue, arose from promotional and development expenditure.

The final dividend is 1.384p net per 10p share lifting the total from 1.849p to the maximum permitted 2.034p.

Mr. S. D. Elek and various interests of his family have agreed to waive their rights to the proposed final on 1,755,653 shares.

Upsurge at Donald Macpherson

The "significantly higher" profit anticipated by Donald Macpherson Group for the six months ended April 25, 1976, turns out to be £1.13m. before tax compared with £0.44m. for the corresponding period and £1.56m. for the last full year.

Chairman Mr. R. Chester says that in the second half performance in the U.K. is expected to reflect improving demand for industrial coatings and lower decorative shipments. Overseas, the upswing is expected to continue in all markets.

For the six months basic earnings per 25p share advanced from 1.79p to 3.95p and fully diluted from 1.78p to 3.78p. The interim dividend is stepped up from 0.78p to 0.858p net. The total payment for the last full year was 2.145p.

In the U.K. volume overall for the half-year was ahead of previous year figures, reflecting in particular excellent demand for Cover Plus products in the reail DIY sector.

Overseas, where economic recovery is generally already firmly established, volume growth was achieved in all markets.

In spite of presure from continuing increases in raw materials and other costs, trading margins improved markedly and after lower interest charges, pre-tax margins advanced from 2.9 per cent. to 6.1 per cent.

	Half year 1975-76 £000	1974-75 £000	Year 1974-75 £000
Sales	18,821	15,845	33,008
Trading profit	1,154	706	2,061
Depreciation	162	139	285
Interest	44	148	319
Profit before tax	1,128	459	1,695
Tax	616	280	871
Net profit	512	179	824
Minority profit	3	—	*5
Extra ord. credits	47	—	33
Attributable	556	179	752
Dividends	110	106	272
Retained	446	69	480

* Loss.

● comment

The good first-half performance by Donald Macpherson (profits up 156 per cent. on a 24 per cent. rise in turnover), is due to recovery in margins and strong volume growth in decorative paints. Aggressive promotion as well as advertising by Woolworth (which accounts for about a quarter of sales in this sector) helped increase market share from around the 8 per cent. level of the last five years to near 13 per cent. This improved volume as more stable materials and labour costs boosted margins. The better trend is continuing in the second half, which should also see a boost from the recovery in the industrial sector—after dropping continuously for three years, demand is now beginning to pick up. Meanwhile there is strong underlying growth overseas, which brings in about a quarter of profits. So the full year might see profits of just under £3m. for a fully-diluted prospective p/e of 5.5 at 88p and maximum yield of 6.3 per cent.—hardly a premium rating for the current leader of the pack.

Mr. G. E. Ward Thomas, chairman of Trident Television.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Bristol Evening Post	3.44	—	2.97	5.19	4.72
Copydex	1.38	Aug. 12	1.45	2.03	1.85
Davenport Knitwear	2.57	Sept. 10	2.34	2.57	2.34
Gough Copper ....int.	1.95	Aug. 23	1.95	—	5.2
Glass Glover ....int.	0.22	Oct. 1	0.2	—	0.68*
Hammond Hldgs.	2.5(a)	—	2.25	4	3.75
D. Macpherson ....int.	0.86	Sept. 2	0.78	—	2.15
Manson Finance	1.75	Oct. 6	1.75	3.25	3.25
Tex Abrasives	2.06	Sept. 15	2.06	2.71	2.71
Trident TV ....int.	0.71	—	0.64	—	2.13
R. Kelvin Watson	1.08	—	0.94*	1.98	1.78*
Winterbottom Trust ...int.	1.6	Aug. 13	1.58	—	3.5
F. Wrighton and Sons	1.08	—	0.99	1.08	0.99

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) Gross throughout.

Recovery at Hammond Holdings

DUBLIN-BASED iron-founders and machinery merchants Hammond Holdings reports a second-half recovery in pre-tax profits with £409,000, against £416,000, for the year to March 31, 1976, after a fall from £250,000 to £134,000 in the first half.

After tax down from £175,000 to £153,000 full-year earnings are shown to have risen from 6.6p to 7p per 25p share and the dividend is lifted from 3.75p to 4p gross with a final of 2.5p.

	1975-76 £000	1974-75 £000
Turnover	4,109	4,399
Share associates	391	256
Other income	27	36
Pre-tax profits	409	416
Tax	153	175
Attributable to Ordinary	262	237
Retained	108	142

Monks Trust policy

The investment policy at Monks Investment Trust is still to maintain an even balance between income and capital appreciation, states the chairman, Mr. N. Hamilton.

To achieve capital appreciation it is necessary to invest in companies with growth prospects and these—particularly overseas companies—may have very low dividend yields, he tells members. To this extent current earnings are sacrificed to capital appreciation, but the directors believe that this is in the best long-term interests of shareholders.

It looks at present as if income in the current year will be higher, says Mr. Hamilton. The factors which helped last year's results, particularly the increase in holdings of British Government Securities, will be of continuing benefit.

As reported on May 27, gross income slipped from £1.97m. to £1.94m. in the year to April 30, 1976, but pre-tax revenue rose from £1.48m. to £1.58m. after lower interest charges. The dividend is 1.15p (1.07p) net.

In recent months the directors have become increasingly concerned at the high level of the investment currency premium, which had come to represent nearly 20 per cent. of funds.

They still think it right to maintain the large position in overseas markets and that this should be held primarily through premium currency, but they have made a moderate shift towards an increased use of loans in financing the position. They have been selling some investment currency and replacing the amount sold with borrowings, which have so far been on a temporary basis, but it is intended to convert them in due course to a more permanent form.

The proceeds of the currency sold have been placed on deposit in the U.K. and this has more than offset the increase in interest costs.

Meeting, Salisbury House, EC, on July 28, at 10.30 a.m.

MK Electric

PROGRESS FOR MK ELECTRIC

The chairman of MK Electric Holdings, Mr. D. L. Robertson, believes that continuing progress can be looked forward to in the coming year.

With the benefits of accelerating product development and always seeking more efficient manufacturing methods, a further improvement in group prosperity is anticipated, he tells members. The health and strength of the group have not been better in recent years, he adds.

As reported on June 24, turnover rose from £21.59m. to £23.31m. in the year to March 27, 1976. Pre-tax profits jumped from £0.68m. to £2.17m., and the dividend is 4.72p (2p) net.

Results for the year, based on the current cost principles of inflation accounting are reassuring, says Mr. Robertson, for although the additional costs are substantial, the resulting profit before taxation is "a quite healthy" £1.41m.

Business in the main subsidiary, M.K. Electric was depressed during most of 1975, with some 30 per cent. under-utilisation of capacity until an improvement in the house-building programme and some re-stocking by distributors increased demand in January 1976.

Meeting, Abercorn Rooms, EC, on July 29 at noon.

Sheepbridge sees further good progress

For the current year further good progress is confidently forecast by Lord Abereonway, chairman of Sheepbridge Engineering.

However, he points out that although there is now some evidence of a slackening in the rate of inflation, the problems which arise from Government control of selling prices, coupled with increases in costs which are largely beyond the control of management, will continue in the current year.

Orders on hand at the end of last year were not so high as those a year earlier, partly because customers latterly have not been ordering so far ahead. Nevertheless order books of most subsidiary companies are at a good level, and prospects are such that throughout the group generally capacity will be kept occupied.

As reported on June 25, pre-tax profits for the year to March 31, 1976, rose sharply from £2.69m. to £4m. and the dividend is raised from 2.833p to 3.1036p net.

Deliveries to overseas markets were particularly buoyant and increased 57 per cent. It was possible to improve margins in most export markets and the contribution made to the group's profits by its direct export business was considerable.

Gough Cooper sees improvement

ON REDUCED turnover of £6.48m. compared with £7.46m. pre-tax profits of Gough Cooper and Company fell from £1.08m. to £0.83m. in the six months to March 31, 1976, but the chairman Mr. John Boardman says that results for the year should be similar to those of 1974-75 when profits were £1.54m.

The company has a full order book he tells members and is well placed for work in the immediate future.

The interim dividend is held at 1.95p net per 20p share and in the absence of unforeseen circumstances the total will be maintained at 5.2p.

	6 months 1975-76 £000	1974-75 £000	Year 1974-75 £000
Turnover	6,482	7,464	14,488
Rental income	204	136	331
Trading profit	1,071	1,253	2,079
Housebuilding	306	804	1,287
Sales of undeveloped land	538	262	317
Plant hire	48	68	156
Prop. investment	167	139	285
Int. receivable	2	16	16
Interest payable	185	223	391
Share assoc. losses	54	—	111
Profit before tax	852	1,046	2,532
Tax	481	535	881
Net profits	371	505	1,651
Interim dividend	138	133	133
Final	—	—	256
Leaving	233	353	447

Housebuilding figures reflect the level of turnover, says Mr. Boardman, and they are beginning to improve as turnover in this sector increases. Turnover on contract housing, both negotiated and competitive, for the year 1976-77 should exceed £13m., he reports and the company is also increasing production on selected private housing sites where the prospects appear to be more encouraging.

Certain parcels of land were sold in the half-year, but prime sites are being retained to ensure continuity of the private housing programme.

Plant hire figures reflect the position in that industry. The most recent addition to the group, G. C. Power Tools, which operates on a much smaller scale, is now meeting its budgets.

Further leases have been exchanged for units on the Dartford Industrial Trading Estate, and the group is beginning to gain the benefits of recent rent reviews.

The company has a 50 per cent. interest in a Belgian property company which owns an office block in Brussels. Lettings of the premises have been slow, although some progress has recently been made. The losses mostly relate to the writing off of interest arising from the financing of the project.

● comment

After its 21½ per cent. profits fall in the first half, Gough Cooper sees improved activity in the second with an increase in volume sales in contract hous helping to make up for downturn in margins. is now veering strongl the more competitive risky contract business current year, nearly 56 of a total of aro completions are expecte from contract rather th housing work against 43 of a total 860 last year. estimates point t completions next year 80 per cent. from However, until a mor upturn in constructio nationally, the competi hire side will probably to suffer from an e margins while the finan of the Belgian subsidi weigh heavy for a while the shares at 53p yest draw strength from an of around £1 a share a paratively low gearing the sector. The yield cent.

Rediffus strongly placed

STEADY PROGRESS sion is foreseen by cha John Spencer Wills an that the company is placed to take advanta favourable opportunitie arise.

While difficulties affe of the company's ove terests have not yet b overcome, the directors the current year will br results from this area.

Pre-tax profit for th March 31, 1976, reported rose £1.95m. to £16.31m lent to 8.6p (8.23p) per Th edividend is 3.9p (3.

Exports were up som cent. and in spite of ad ditions TV set business produced a marginal ment in profit.

Rediffon contributed o cent. to the profits an charges were reduced. year end money borrow ficaly to finance the exp colour television, has be

However, operations a still overshadowed by cured in the establishm new television station Kong.

The directors conside Electric Traction Comp the ultimate holding co

Meeting, Connaught W.C., on July 28.

Chairman's statement

ISSUE NEWS

Yearlings unchanged

This week's issue of local authority yearling bonds is again at 11¾ at par for the fourth week running. This week's issue are due on July 13, 1977.

The issue are:—Borough of Ipswich (£¼m.), Preston Borough Council (£1m.), City of Southampton (£1m.), Birmingham District Council (£1m.), City Of Glasgow District Council (£2m.), The Receiver for the Metropolitan Police District (£¼m.), Allerdale District Council (£½m.), London Borough of Barking (£½m.), London Borough of Bexley (£1m.), London Borough of Camden (£½m.), Grampian Regional Council (£1½m.), London Borough of Hammersmith (£1m.), London Borough of Hillingdon (£1m.), Trafford Borough Council (£½m.), South Yorkshire County Council (£½m.), Tunbridge Wells Borough Council (£½m.), Wansbeck District Council (£½m.), Bradford Metropolitan District Council (£½m.), Sedgemoor District Council (£½m.), Worthing Borough Council (£½m.), East Hampshire District Council (£½m.) and Ipswich Borough Council (£½m.).

MID-KENT SUCCESS

Mid Kent Water Company's offer for sale by tender of £3m. of 8 per cent. Re Preference Stock 1981 applications for £5,97 stock.

The highest price off £99.50, while the lo receive partial allotm £97.63, and the aver £97.98.

Dealings will start o Brokers to the iss Seymour Pierce and Co

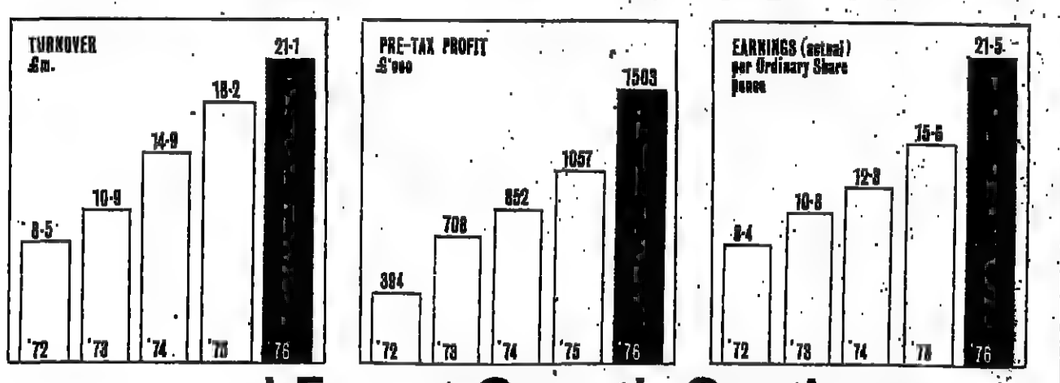
King & Shax
Limited
52 Cornhill, EC3
Gilt Edged Portfolio Mana Service Index 5.7.76
Portfolio I Income Offer Bid
Portfolio II Capital Offer Bid

THE NEW THROGMO TRUST LTD.
Capital Loan Stock Valu 6th July, 1976
The Net Asset Value pe Capital Loan Stock is
Securities valued at middle prices

Braby Leslie Limited

(Mechanical and Civil Engineers)

A Year of Records . . .



. . . and Export Growth Continues

"Profits before tax for the year ended 31st March, 1976, have increased by 42% from £1,057,000 to £1,503,000.

A final dividend of 1.8366p net per share is proposed, making a total payment for the year of 3.0866p compared with 2.8284p the previous year.

Both Divisions of the Group contributed to this improvement: in the Mechanical Engineering Division, Auto Diesels Braby Limited, manufacturers of diesel generating sets, was particularly successful in export markets, while the results of the Civil Engineering Division benefited from higher deliveries by Tam's Loup Quarries Limited for local developments, including some related to the oil industry.

There is a growing demand for the products of the Mechanical Engineering Division, which accounts for over 70% of Group turnover and profits. The work load of the Civil Engineering Division is satisfactory in Scotland, but remains low elsewhere. Overall there has been an encouraging increase in the level of activity during the first two months of the current year, although economic uncertainties make it impracticable to forecast results for the whole year."

Eric Izod
Chairman

1 for 3 Rights Issue Proposed

A programme of modernisation and capital investment totalling some £1,250,000 is planned over the next three years, which includes the improvement of the steel drum production line in Liverpool and the re-equipment of the metal fabrication plant in Bristol and of the handling facilities for generator production in Uxbridge. In addition, it is considered desirable to increase the Company's equity base to assist in financing the growth in turnover and adequate stock levels at a time of rising raw material prices.

Subject to the passing of the necessary Resolution, it is proposed to make a Rights Issue of 1 new Ordinary share for every 3 held at a price of 52p per share.

In the absence of unforeseen circumstances, Ordinary dividends totalling 4.5p will be recommended in respect of the year ending 31st March, 1977. This would represent an increase of 45.8% over the previous year, and Treasury permission for the increase has been received.

The Company's Report and Accounts will be posted to shareholders on 14th July, 1976. Copies can be obtained from The Secretary, Braby Leslie Limited, Cowley Mill Road, Uxbridge, Middlesex. UB8 2QG.

William Pickles

"...the long term outlook for the Group is excellent" C. Harold Buckley, Chairman

The Annual General Meeting was held yesterday in Manchester. The following are extracts from the statement by the Chairman, Mr. C. Harold Buckley, submitted to the Meeting:

Higher costs and ever-increasing imports of cheap merchandise from the Far East and elsewhere, together with the world economic recession and very high unemployment in the U.K., made 1975 one of the most difficult trading years in memory. The small increase in Group turnover was not sufficient to cover increased expenses and in consequence the profits before tax show a decline for the first time in four years.

Turnover (excluding inter-company sales) totalled £19,521,749, compared with £18,505,139 in 1974. The Group trading profit before tax is £651,372, against £936,770 last year. Net profit after tax was £409,733 (£484,644 in 1974). The Directors recommend a Final Dividend of 0.3536p on the Ordinary and 'A' (non-voting) Ordinary Shares, making a total dividend of 0.5966p per share for the year (same).

One of our subsidiary companies, Richard Davies & Co. Limited, of London, manufacturers of high class up-market shirts, suffered particularly severely under difficult trading conditions and it was decided that it would be prudent to cease trading. The Banner Group of Companies, which for many years has contributed so substantially to Group profits, suffered an extremely difficult year because their manufacturing units came under intense pressure from the influx of cheap ready-made garments from abroad. I am confident, however, that the new marketing strategies which have been developed in the Banner organisation will enable the Company to resume its growth, both at home and overseas, when economic conditions improve.

Whilst the other trading companies in the Gr with one exception, show some decline in their profitability, this was very much in line with the national trend of reduced unit sales and greatly increased costs and expenses. It is particularly encouraging, therefore, to report that Uwin Sportswear Ltd., made significant progress in 1 and enjoyed their best trading results since bein acquired by the Group in 1967. The most vigorc efforts will be made to effect further expansion Sportswear activities where we see a substantia growth potential.

I believe that expansion in Group export sale top priority and considerable research and new marketing skills are being brought to bear to obt this objective. Opportunities are being sought n only to increase our share of the markets we ser present but also to add to our trading network b opening new areas in which the Group can bene

I cannot, in view of the present state of the economy, be over optimistic about the 1976 prospects. I am confident, however, that the long term outlook for the Group is excellent, as all our subsidiary companies enjoy very high reputations in the Trading Areas in which they operate.

In addition, we possess one priceless asset in management—a blend of experience, youthful vigour and enthusiasm and with the resources at disposal, I am sure that we are equipped to take f advantage of the opportunities which will, I hop before long, present themselves.

Group Companies:
Henry Bannerman (Holdings)
Wm. Chapman Ltd.: Glen Fabrics
Harrow Fabrics (Int.) Ltd.: Macasets
Sparrow, Hardwick & Co. Ltd.
Susy Ware & Co. Ltd.: Uwin Sportswear

WILLIAM PICKLES & CO. LTD. 101 Portland Street, Manchester M60

Renold policy on expansion

IE IS at present no need for expansion plans at Rneold in the U.K. or in the nent of Europe, state the tors in their annual report.

s is because, at the start of ier boom, output is more to be restricted by labour supply shortages rather than vailability of manufacturing tial. They add that investaimed at improving manuring efficiency will continue. ns are proceeding for a sign nt investment in equipment rge scale and efficient proon of the new hydraulic ets and to cater for manure of other units of improved n the power transmission

Considerable growth is ted in tch new range of ulic motors.

the U.S., however, expansion oceeding.

efficiency of the sales and facturing operations has improved and the company poised to take advantage of upturn in activity whenever ses."

probable, the directors say, demand generally will revive g hte second half of 1976/77 hat there will be an increase ne level of international d investment—In the meanthe company is supplying transmission equipment for industrial projects worldmainly in the energy and raw material sectors and the diate prospects for additional ies " are promising."

his statement the chairman, J. Tolley confirms that while rst half of the current year ely to remain difficult he ts the second-half to do well. current money values a g profit sufficient to keep with inflation and provide vestment, would need to be at £20m. It would be unwise ndertake large scale investfor the future, he adds.

June 23 it was reported that ax profit for the year to 28, 1975 dropped from lm. to £10.83m. Dividends on enlarged capital is 7.5843p 7.0604p).

ne two thirds of group sales to overseas customers. ding inter-group sales hte contributed 34 per cent. (36 cent.) of the group total, ne 33 per cent. (35 per cent.) he Americas 18 per cent. (18 ent).

eting, Manchester, July 29, m.

irman's statement Page 23

BROWNLEE

areholders of Brownlee were at yesterday's AGM that it ared that results for the first half of the current year would be better in terms of turnover and of profit than for the previous year. But it was much too early to be other than cautious.

Despite a possible fall in volume, turnover for the year would be higher and profit not less than for 1975-76.

£0.5m. from Kelvin Watson

ON TURNOVER ahead from £1.93m. to £2.62m. pre-tax profit of opticians R. Kelvin Watson advanced from £271,926 to £302,105 for the year to March 31, 1976.

At halfway when reporting profits up from £134,589 to £174,546 the directors said that there was every indication that the progress made would be maintained.

Yearly earnings per 10p share are given at 7.89p against an adjusted 5.88p and the final dividend payment is 1.027p net for a total 1.927 compared with an equivalent 1.7766p.

After tax of £265,461 (£195,657) the net balance emerged £40,375 higher at £236,844.

Sterling Inds off to good start

The carrying forward of increased stock and work-in-progress at March 31 has given Sterling Industries a good start to the current year, says chairman Sir Nicholas Cayzer.

He points out, however, that it remains to be seen whether the rate of incoming orders during the first four months of 1976 is sustained. The continuing substantial increases in costs of materials and other expenses associated with the manufacture of the group's products must give cause for concern.

As already known, pre-tax profit for the year to March 31, 1976 expanded from £881,581 to £485,214 and the dividend per 2.5p share is stepped up from 0.55p to 0.7p net.

Resulting from a combination of increased retentions from improved profitability and the continuing benefit of stock relief provisions which give rise to further deferment of taxation, the group cash position improved.

De La Rue outlook

ler books in almost every r of Thomas De La Rue, the ity printing division of The La Rue Company, remain g and the outlook for the ahead "is full of promise," the directors in their annual w

riler this month, Sir Arthur nan, chairman, said the com was well placed to take adage of the better conditions h seemed likely to prevail hte next two years.

ferring to De La Rue Cros, which is in the field of auto processing of banknotes, the tors say that the full benefits creased expenditure will take time to appear but there good opportunities for profitgrowth.

Security Express there is reason to believe that 1976 will again be very satisfac-

ferring to Crosfield Elecs, they say that in the year r review sales to overseas mers accounted for 84 per of total sales, with the U.S. n and Western Europe ding the main markets. omic revival in these areas the impact of new products are expected to yield improved results in 1976-77.

At Formica Limited (U.K.), they have an encouraging view of the outlook for the company in the better conditions which seem likely to prevail in the year ahead.

If conditions continue to improve, the outlook for Formica Espanola SA (Spain) in 1976-77 is favourable.

Formica Plastics Pty (Australia) is "well placed to improve its performance in more stable market conditions."

At Formica (NZ) (New Zealand) major efforts to improve manufacturing efficiency and service to customers have enhanced prospects for the year ahead.

Recovery is expected to be slow at Decorative Boards (Pty) (South Africa). And in the absence of unforeseen circumstances, the outlook for associated companies remains favourable.

For the year ended March 31, 1976 pre-tax profit increased from £8.27m. to £9.82m. and dividends are up from 10.705p to 11.704p.

Meeting, Cafe Royal, W, July 28, 11.30 a.m.

Braby Leslie makes £1.5m.—near £1m. rights

Braby Leslie, a mechanical and civil engineering group, announces pre-tax profits for the year ended last March 31 42 per cent. higher at £1,502,000 and a rights issue to raise £914,000.

Pre-tax profits of the group are up from £1,057,000 to £1,503,000 on sales ahead from £18.15m. to £21.13m. in the year to March 31, 1976. Both divisions of the group contributed to the improvement.

So far this year there is growing demand for the products of the mechanical engineering division, which accounts for 70 per cent. of turnover and profits. The work load of the civil engineering division is satisfactory in Scotland but low elsewhere. There is no profits forecast for the current year.

The rights is on the basis of one for three at 42p per share. Proceeds will be used to finance a planned programme of modernisation and capital investment totalling some £11m. over the next three years.

This development includes a steel drum plant in Liverpool, the re-equipment of the metal fabrication plant in Bristol and the handling facilities for generator production at Uxbridge.

The directors forecast a dividend totalling 4.36p net per share for the current year to March 1977, representing an increase of 45.8 per cent. over 1975-76.

● Comment

On the back of a successful year when pre-tax profits have increased by 42 per cent. on a sales gain of 16 per cent., Braby Leslie has come up with a £0.9m. rights issue. But borrowings last March were only £912,000 against £990,000 a year before, so there are no immediate financial pressures behind the issue. Moreover the forecast of £11m. capital expenditure over the next three years is no more than last year's cash flow. Meanwhile on the trading front the picture remains fairly buoyant, particularly for exports from the mechanical engineering division which last year amounted to £3m. out of sales of £13m. Elsewhere the civil engineering side remains fairly dull. Overall Braby looks opportunistic with its issue, but shareholders are rewarded by a substantial dividend hike giving an ex-rights yield of 10.1 per cent. at the current price of 73p, up 6p yesterday.

Statement Page 20

BOARD MEETINGS

The following companies have notified dates of the Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Local allotments are not available whether dividends concerned are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TO-DAY

Interims—Makers: Household Stores (Leeds), Birmingham Pallet, W. W. Ball, Howard Machinery.

Finals—Associated: Newspapers, Braham Miller, Concrete, English Card Clothing, W. G. Hall, Jackson and Steeple, Oil and Associated Investment Trust, Robbins, International, Scottish and Newcastle Breweries, Technology Investment Trust, John Waddington, E. W. Wood.

FUTURE DATES

Interims:

Berisford	July 20
Bunzl (Holdings)	July 14
National Westminster Bank	July 22
Lee (John) Group	Aug. 12
Trade Indemnity	Sept. 7

Finals:

Bilton	Malbrook Castings	July 15
Chapman	July 13
Greene King	July 8
Russell (Alexander)	July 13
Scott Wallis	July 14
Unigate	July 23
Wellman Engineering	July 12

Tunnel is strongly based

A MUCH improved base at Tunnel Holdings should ensure more consistent levels of profitability in the future, says chairman Mr. J. D. Birkin.

However, the economy will inhibit the group from capitalising to the full on its stability and strength, he adds.

As already known, pre-tax profit for the year to March 28, 1976 jumped from £4.12m. to £6.27m. and the dividend per 50p share is stepped up to 8.8682p (8.1357p) net.

The most significant of several important developments during the year was the rationalisation of the group's West Thurrock clinker manufacturing operation, the chairman reports.

Chairman's statement Page 22

Winding-up orders

Orders for the compulsory winding up of 34 companies have been made by Mr. Justice Templeman in the High Court. They were:

Amatco Supermarket (Bedworth), Martin Barnett (London), Lafer (U.K.) Sales, Supernova Cars, John Jays (Heating), Polythene Drums.

Quadraline, Portacube, W. and J. Gaunt, Wheelspoint Motors, M and G Porches, Darval Haulage, Unilec Construction, Lady Anne (Kitchen Design), J. T. White (Builders), Rose Acre Coney, B and D Metcalfe, M. Pinggera.

Quadra, Team Valley Metals and Demolition, Fourgon, Kaybee Prefabrications, Hertfordshire Headline News Agency, Eastern Bay Gases (Refills), Lovers of Polish Folklore Club, Gemini Motor Services.

Clabshire, D and M Plastering Contractors, Abercorn Steel Products, Mason Flooring (Northern), Atlantic Plumbing, Stockton Decorators, M. McCarthy and Co. (Builders), and Chard Jenkins.

Charrington Gardner growth prospects

THE CURRENT drive to conserve energy is making it increasingly difficult for the fuel side of Charrington, Gardner, Locket and Co. to continue to provide ever-increasing profits and chairman Mr. R. C. Hall says that a severe winter would obviously be helpful. However, all other divisions are budgeting for improvements of varying amounts, he adds.

As reported on June 10, taxable profit for the year to March 31, 1976, improved from £2.98m. to £3.34m. and the dividend per 25p share is lifted from 2.6p to 2.86p net.

The profits were achieved despite a reduction of some £0.5m. in profits of the Falkland Islands Co. consequent upon a drop in the world price of wool.

Although turnover of the solid fuel company showed an increase of some £1.75m., this was caused entirely by inflationary price increases and conceals a somewhat significant reduction in the tonnage dilevered.

As in the case of the solid fuel division, the considerable rise in turnover of the company's fuel oil company also arose solely as a result of inflation.

The vehicle division made a good recovery during the year with an improvement of some £300,000 in trading profits.

A divisional analysis of turnover — £153m. (£136.5m.) — and profits shows £000's omitted): solid fuel £39,787 (£38,063) and £1,800 (£1,751); fuel oil £55,171 (£48,512) and £1,065 (£806); builders merchants £12,910 (£10,257) and £544 (£543); vehicle £29,494 (£25,506) and £426 (£119); transport warehousing and shipping services £18,408 (£17,879) and £740 (£742); sheep farming £2,011 (£2,111) and £32 (£573); computer services and property £182 (£215) and £108 (loss £83); associated companies profit £125 (£32); interest £1,549 (£1,496).

It is proposed to change the name of the company to Charrington Industrial Holdings and to change its articles.

At March 31, 1976, borrowings amounted to £11.3m. The seasonal nature of the group's fuel businesses results in a higher level of borrowings being required during the winter months. Under the present formula, the premitted borrowing limit under the articles is £17.3m. Under the Boards proposals the permitted borrowing limit would increase to £23.7m.

Meeting, Charing Cross Hotel, WC, on July 29 at noon.

Chairman's statement Page 22

F. Wrightson turns in £0.47m.

AFTER A marginal rise from £201,300 to £202,000 in the first half, pre-tax profits of furniture makers, F. Wrighton and Sons (Associated Companies), finished the year to March 31, 1976, up with £6.88m.

After tax of £279,138 (£177,929), earnings are shown to be up from 2.24p to 4.18p per lifted from 0.985p to 1.083p net. Costing £48,753 (£44,320).

Caffyns to reach £0.9m.

Turnover for the first two months of the current year at Caffyns is well in excess of 1975 says the chairman Sir Sydney Caffyn, but August and September, 1975, were particularly good and he is doubtful whether first half profits will match last year's record.

If business activity continues at its present level, however, last year's total should at least be reached, apart from non-recurring items.

As reported on June 22, profits before tax rose from £0.73m. to £0.9m. in the year to March 31 on turnover of £24.41m. (£21.47m.). The dividend is 5.23p (4.8p) net.

A revaluaion of property has resulted in a surplus of £1.74m. Provision has been made under "deferred tax" for capital gains tax should the properties be sold but members are told that most will be retained for many years. The insured value of freehold properties is £22m. compared with book value of £5m.

Meeting, Eastbourne, on July 23, at 3 p.m.

Nottingham hotel wound up

Nottingham's luxury Victoria Hotel, which is about £2m. in the red, officially went into liquidation yesterday, although it is still open for busines.

It has been claimed that Estates and General, the London finance house, which has a £750,000 first claim on the hotel's assets, will be the only creditors who will be fully repaid. The second biggest creditor is Clydesdale Bank, which is owed £805,000. Unpaid interest to the bank and to Estates and General has been mounting up by £3,000 a week since the first announcement of the hotel's difficulties in February.

The other general creditors — about 138 of them—are owed around £700,000. The liquidators yesterday had talks with 100 staff and management about the hotel's future.

RECENT ISSUES

EQUITIES

Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price	+ or —	Div. Amount	Times covered	Gross Yield	P/E Ratio
F.P.	—	10½	8½	Automated Sec. 10p	9	+½	40.65	4.5	10.3	6.6
F.P.	—	225½	221½	Cheer Pacific Ord.	225	—½	40	—	0.9	—
F.P.	—	[illegible]	[illegible]	[illegible]	10.50	.....	—	—	—	—
F.P.	—	228½	223	Eastern Corp. (1981)	226½	.....	21.9	—	4.5	—
F.P.	—	[illegible]	[illegible]	[illegible]	251½	.....	247.52	—	2.9	—
F.P. 20/6	4/8	61	51	Hawes (Wm.) Builders	51	.....	25	2.1	12.5	5.5
F.P.	—	48	—	[illegible]	48	.....	[illegible]	—	[illegible]	—

FIXED INTEREST STOCKS

Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price	+ or —
£50	26/6	50	47½	Birmingham (City of) 13% Red. Stock 1985-1	50	+½
—	—	102½	100	Debentures 11% Cons. Unc. 1983-8	£102½	+1
F.P.	—	99½	98½	IAC 9½% Notes 1981	99⅞	+⅛
Nil	—	89¼	88	Corpo Bonaire Dmk. Fltng N'te 1985	89	.....
Nil	—	899½	899½	Nat. Westminster 9% Cap. Bonds. 1986	899½	.....
F.P.	23/7	98¼	98¼	Newcastle Breweries 6% Red. Pref. 1961	98¼	.....
F.P.	—	99½	98½	Noranda 9¼% Notes 1982	99½	+⅛
Nil	—	101	100	Nova Scotia Province Floating Rate 1985	$101	.....
F.P.	—	[illegible]	[illegible]	Sovrin Hire Bonds 1986	$100	.....
£10	—	10½	10	Sandwell (Met. Borough) 13% Red. Stock 1982	10½	.....
F.P.	25/6	£96	£94½	Sudtirol Agrar. Serv. 9½% 1981	£96	.....
F.P.	5/7	124	117	Sun. Life & Cons. 4%	117	.....
F.P.	30/7	98½	97½	Sunderland & District Water 9% Red. Pref. 1931	98	.....

"RIGHTS" OFFERS

Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price	+ or —
Nil	9/7	15/8	27	15 AAH	27pm	+1
F.P.	18/6	9/8	75	64 Beath Group	75	+2
F.P.	1/9	4/8	106	92 Bolidington	104	+2
F.P.	21/6	19/7	43	34 Booth (Jas.)	38	−2
Nil	19/7	27/8	4	2½ Chesterhouse Grp.	3½pm	.....
F.P.	16/6	8/7	17½	14½ Coalite & Chemical	16½	+½
Nil	9/7	5/8	4	1½ Downs Surgical	1½pm	−½
F.P.	29/6	26/7	122	108 Dunlop-Combex-Marx	122	+7
F.P.	26/6	16/7	9½	8½ Kiwark-Hopper	9½	+½
Nil	21/7	18/8	7	5 Margreaves Group	7pm	+½
F.P.	—	—	65½	57 Leaney Products	65	+1
F.P.	5/8	20/7	71½	61 Lyon (F.H.)	66	+1
F.P.	28/6	9/7	218	198 Lucas Inds.	218	+1
F.P.	11/6	8/7	160	134 Portals	160pm	+8
F.P.	22/6	20/8	28	22½ Press (William)	28½	+1
F.P.	10/6	45/7	52½	48½ Rennie, Hoffnud, Pollard	55	.....
Nil	—	—	44½	35 Sandycot (Jer.)	34½pm	−½
Nil	19/7	27/8	7½	3½ SAI Group	7½pm	.....
F.P.	18/6	15/7	36½	32½ Tepest	36½	.....
F.P.	16/6	—	128	85 Western Mining	128	.....
Nil	9/7	20/8	30	24 W.G. [illegible]	30pm	.....
[illegible]	—	—	51	47 [illegible]	51	−1

Renunciation date usually last day for dealing free of stamp duty. *c* Placing to public. *b* Figures based on prospectus estimate. *d* Dividend rate paid or payable on part capital, cover based on dividend on full capital. *p* Pence unless otherwise indicated. ‡ Forecast dividend: cover based on previous year's earnings. *a* Figures based on prospectus or other official estimate for 1976. ‡ Cover allows for conversion of shares not now ranking for dividend, or ranking only for restricted dividends. ** Issued by tender. ‡ Offered to holders of Ordinary shares as a "rights." ‡ 250 S.Afr. cents. ‡ Rights issue of capitalisation. ** Tender allotment price. ◆ Reintroduced. ‡ Issued in exchange with reorganisation, merger or take-over. ‡ Introduction. ◆ Issued to Preference holders. ‡ Allotment letters (or fully-paid). Provisional or partly paid allotment letters. ‡ With warrants. ◆ After suspension.

"We have started the year well and we expect trading conditions to continue to improve in the current year."

Outlook by Sir Jack Wellings, C.B.E.

The Year ended 31st March 1976:—

TURNOVER £150m PROFIT BEFORE TAX £8m PROFIT RETAINED £2m

RECORD EXPORTS £35m

The following are extracts from the Statement by Sir Jack Wellings, C.B.E. (Chairman & Managing Director) which has been circulated with the Report and Accounts for the year ended 31st March, 1976.

"Although our results failed to match our record profits of the previous year, as I expected when I reported to you at half year, they were still satisfactory allowing for the depressed trading conditions. They were in fact the second highest results in our history.

PROFIT AND DIVIDEND

The Trading Profit before taxation was £8,119,000, a decrease of £2,109,000 (21%) on last year's record £10,228,000, after charging Depreciation of £1,930,000 (last year £1,776,000) and net interest on Borrowings of £2,221,000 (last year £1,637,000).

The Directors propose a final Ordinary Dividend of 1.8216 pence per stock unit (last year 1.6615 pence) effectively the maximum dividend permitted under the Government restrictions.

EXPORTS

Another record year for our direct exports from the United Kingdom which increased from the previous year's record of £31,216,000 to £35,420,000, up £4,204,000 (13½%).

During the year my colleagues and I have spent a considerable amount of our time abroad further expanding existing markets and developing new ones for our products.

RIGHTS ISSUE

The Directors considered that the existing activities of the Group could be expanded profitably both in the United Kingdom and overseas, and that the expected recovery in the United Kingdom economy would lead to further profitable trading and investment opportunities. Therefore, notification of a rights issue of one Ordinary Stock Unit for every four Ordinary Stock Units held, to raise £5,025,000 after expenses, was included with the preliminary announcement of the year's results on 10th June, 1976. As stated in the rights document sent to all Ordinary Stockholders, capital expenditure for the current financial year of £5 million has already been authorised, and substantially the whole of this will be used to improve and expand the facilities of our United Kingdom manufacturing and processing units. This will be financed from our existing resources. The funds raised by the rights issue will enable the Company to take advantage of opportunities arising, and an increase in the permanent capital base will also permit the financing of additional working capital and further fixed capital investment both in the United Kingdom and overseas.

QUEEN'S AWARDS

It is pleasing to report that both T. S. Harrison & Sons Ltd., and 600 Services Ltd., were honoured to receive The Queen's Award for Export Achievement 1976, the culmination of a most successful year for both companies.

OUTLOOK

We have started the year well and we expect trading conditions to continue to improve in the current year."

THE 600 GROUP LIMITED

MACHINE TOOL MANUFACTURERS · ENGINEERS · STEEL DISTRIBUTORS · SCRAP PROCESSORS

ESTABLISHED 1834

A copy of the Report and Accounts for the year to 31st March 1976 can be obtained from the Secretary, the 600 Group Limited, Wood Lane, London W12 7RL.

600

Charringtons: a pattern of success

Points from the statement by Mr R C Hall, Chairman.

The year's profits after taxation were £157,000 better than the previous year, and the Board recommends a final dividend of 1.86p, making a total of 2.86p, a 10% increase on last year, and the ninth consecutive increase.

Although the turnover of our Solid Fuel company increased by £13¾m, this was caused entirely by inflation and conceals a reduction — considerably below the national average — in tonnage delivered. This Division produced record profits for the year.

The increase in turnover for our Fuel Oil Company also arose from inflation. There was a 1% reduction in tonnage delivered, compared with 14% nationally. The management are to be congratulated on producing profits £¼m. better than the previous year.

Our Vehicles Division made a good recovery during the year with an improvement of some £300,000 in trading profits.

The profits of Ruymp Ltd., builders' merchants, were almost identical with those for the previous year, but on turnover some 20% higher.

Our Transport & Warehousing companies produced profits slightly in excess of last year, and our Dundee operations continued to prosper, but the withdrawal of more passenger ships from Southampton has adversely affected our Ships Stores trade.

A dramatic drop in wool prices was responsible for the reduction of £½m. in the profits of the Falkland Islands Company. However, we confidently look for an appreciable recovery in profits this year.

	1976 £ thousands	1975 £ thousands
Sales to external customers	152,963	196,543
Profit before tax	3,341	2,989
Profit after tax	1,592	1,435
Dividends per share		
Interim	1.00p	0.70p
Proposed Final	1.86p	1.90p
Earnings per share	4.25p	3.83p

Charrington, Gardner, Locket & Co Ltd

If you would like a copy of the Report and Accounts please write to The Secretary, Charrington's House, Bishop's Stortford, Herts.

Tunnel reports: "A difficult but momentous year"

Mr J D Birkin, Chairman of Tunnel Holdings Ltd, said in his review of the year ended 28 March 1976:

"We have experienced a difficult but momentous year. The Group's highest pre-tax result to date of £6,274,000 (1975 £4,121,000) must be viewed against the complex background of the national economy and some unusual and difficult internal events.

The most significant of several important developments was the rationalisation of our West Thurrock clinker manufacturing operation.

Plans for the re-structuring of the Group management organisation were vigorously progressed. Decentralisation has taken place and the individual locations are now being established as autonomous profit centres. The resulting re-deployment of senior management means that considerable experience, expertise and drive can now concentrate on the pursuit of projects to secure sensibly related expansion."

"We have started the current year on a much improved base. The Group's solidity is underlined by the considerable increase in trading profit and the strength of the balance sheet.

Although the state of the national economy will inhibit us from capitalising to the full on the Group's stability and strength, solid foundations have been laid which should ensure more consistent levels of profitability in the future."

Salient points from the Annual Report & Accounts:

- return on capital increased from 11.7% to 17.1%
- Group's improved performance mainly derived from trading profits which are 81% up on 1975
- liquidity even stronger with inflow of £4.347m
- cement operations profile much more competitive
- encouraging performance from associated companies in difficult economic conditions both at home and abroad
- expansion of investment in Australia, secured at minimal extra cost, ensuring better growth prospects
- maximum permitted dividend recommended, three times covered*

	1976	1975
Group turnover	£49,959,000	£44,125,000
Profit before taxation	£6,274,000	£4,121,000
Profit after taxation*	£3,271,000	£2,143,000
Earnings per share*	27.7p	17.9p
Dividend per share	8.8682p	8.1357p

(*before extraordinary items)

The 65th Annual General Meeting of the Company will be held in London on 29th July 1976.

Copies of the 1976 Report & Accounts may be obtained from: The Secretary, Tunnel Holdings Ltd, 16 Old Queen Street, London SW1H 9HT.

TUNNEL HOLDINGS LIMITED

MINING NEWS

Cornwall's tin is important

BY KENNETH MARSTON, MINING EDITOR

FOR THOSE who tend to regard Cornwall's tin mining industry as something of a quaint relic of past greatness it may come as an eye-opener to learn that last year the Duchy's mines produced 3,330 tonnes of tin, or 26 per cent. of Britain's tin requirements, plus 562 tonnes of copper and 3,092 tonnes of zinc.

The value of these products was some £12m., a useful contribution to the U.K. balance of payments which could be more important this year against the background of a soaring tin price which is now over £4,700 per tonne compared with the 1975 average of £3,090 per tonne. Furthermore the mines paid out some £7.7m. in wages and local charges last year and provided 1,620 jobs in an area short of employment.

Over the years the Geevor mine, near St. Just, has produced copper as a by-product but last year Cornwall's output of copper and zinc, as well as tin, was given a boost by the Consolidated Gold Fields group's new Wheal Jane mine which lies some three miles south-west of Truro. The three metals are also likely to be produced at the neighbouring Canadian-Swiss Mount Wellington property which is now starting up.

The Cornish Mining Development Association's chairman, Mr. John Trounson, stresses in the association's annual report that Cornwall's metal production could be expanded considerably if Parliament would press ahead with the necessary mineral rights legislation.

This is urgently needed to remove the difficulties encountered by mining companies when trying to obtain the rights—often held by untraceable owners—to prospect and mine. Perhaps the soaring price of imported tin may at last stimulate some action on this score.

PEABODY STILL UNRESOLVED

The saga of the divestiture of Peabody Coal by America's Kennecott Copper following a U.S. Federal Trade Commission order well over a year ago continues and still seems to be some way from conclusion. Latest news is that Kennecott has rejected an offer from Utilities Group which was a consortium composed of several private electric utilities and Martin Marietta Corporation.

Discussions are understood to be continuing with two other prospective purchasers, however. These are Energy Resources Co-operative, which is a group of rural electric generating and transmission companies, and a consortium headed by America's Newmount Mining. Meanwhile, Australia's Broken Hill Proprietary hopes to acquire all of Peabody's Australian operations.

Kennecott is also studying a plan which would provide for a tax-free distribution of 80 per cent. of Peabody's shares to Kennecott holders and the sale of the balance with a private purchaser acceptable to the Federal Trade Commission.

ROUND-UP

South Africa's Witbank Consolidated Coal Mines "is nicely poised" to take advantage of the republic's recent 50 per cent. increase in the permitted price for domestic coal sales. The chairman, Mr. Anthony Lee, says that Witbank has sold a great deal more coal than was anticipated in October when the last annual report was published.

* * *

In order to effect a saving of annual duty amounting to R2.50 (£1.60) per R10,000 on its share premium account of R124.8m. (£80m.), Western Areas is to eliminate the share premium account and transfer its content to a non-distributable reserve account which will not attract the duty.

* * *

Rhodesia's mining output had a record value in May of $Rh.19.3m. (£17m.). In the first five months of this year the mineral value, boosted by higher metal prices and increased production, has risen 40 per cent. and seems well placed to reach the target of $Rh.200m. set for the full year.

* * *

The tin producing Tronoh Mines and Ayer Hitam, which are proposing to move domicile from London to Malaysia, state that they will consider the declaration of dividends on July 16 and that a further announcement will be made on that date.

Uranium inquiry goes overseas

THE AUSTRALIAN environmental inquiry under the leadership of Mr. Justice Fox, which was invited to consider the broad issues in relation to uranium mining, first sat in Sydney in September, 1975. Since then, there have been 107 days of public hearings around Australia and some 10,000 pages of evidence accumulated.

Now, some members of the inquiry committee have left for a two-week tour of Britain and West Germany for the purpose of seeing in commercial operation plants and methods which have been discussed during the hearings. These include a nuclear reactor, an enrichment plant, a reprocessing plant and waste storage and disposal activities.

The full findings of the inquiry are expected before the end of the year but it is hoped that an interim report dealing with the wider issues might be forthcoming before the end of August. The Australian Prime Minister, Mr. Malcolm Fraser, has already said that the country's future uranium mining and export policies will hinge on the commission's findings.

The country's trades unions have already stated that they are opposed to the export of any uranium before the inquiry report is issued. This may force the country's only producer of the metal, the Rio Tinto-Zinc group's Mary Kathleen mine, to borrow from an overseas stockpile in order to meet its first contractural commitments.

Among the companies which are eagerly awaiting the outcome of the protracted inquiry are Pancontinental, Peko-Wallsend, EZ Industries, Queensland Mines and Western Mining, all of which will require Government go-ahead for the development of their deposits which will then enable them to seek export contracts on world markets.

SILVER LINING FOR DANKOE

The sharp recovery in the silver price from a low of around $U.S.3.85 per ounce in January to just over $5 (278p) has made life easier for Canada's Dankoe Mines, a small producer in British Columbia which was carrying a loss of $3.3m. (£1.9m.) at end-1975.

During the previous period of weakness in silver prices Dankoe has been drawing income from treating ore on a contract basis for Dusty Mac Mines. Last month, however, Dankoe resumed milling ore from its own property and aims to produce a minimum of 35,000 ounces of silver a month.

Meanwhile, the company has made a profit of $230,810 in the first quarter of this year and has extended its debentures to 1980. Apart from the better silver price, Dankoe is encouraged by British Columbia's proposal to replace its harsh royalty system with a straightforward tax on mining income.

MINING BRIEFS

GEEVOR TIN—June: 8,703 tonnes treated produced 83 tonnes Black Tin (65 per cent. Sn.) including 7 tonnes low-grade concentrates (May, 80 tonnes).

KILLINGHALL TIN—June: Output of tin, 22 tonnes (May, 344 tonnes).

HONG KONG TIN—June: Output of tin, 4.68 tonnes (May 2 tonne).

	Twelve weeks to 19.6.76	21.5.75
Ore treated (tonnes)	418,270	442,949
Lead (per cent.)	8.3	9.3
Silver (grams/tonne)	68.1	72.5
Zinc (per cent.)	11.5	11.4
Production		
Lead concentrate (tonnes)	46,166	51,584
Lead (tonnes)	36,359	39,257
Silver (kilograms)	31,761	28,773
Zinc concentrate (tonnes)	84,569	88,617
Zinc (tonnes)	43,727	46,450

Ferranti now in better position

MR. S. Z. DE FERRANTI, chairman of the Government-controlled electrical and general engineering concern Ferranti tells members in his annual rport that there are signs that despite all the problems that have arisen the company's operations are in a better position than "they have been for some time and "We may now look forward to a period of reasonable growth on our recently extended and more appropriate capital base."

This year again the directors have felt it inappropriate to recommend the payment of an Ordinary dividend but the group is hopefully moving to a position in which "shareholders may receive some reward for their patience and loyalty."

While this must take into account the present uncertainties Mr. Ferranti says that "we can as a result of sustained effort and determination present a better and more promising picture than could have been anticipated last year."

As reported on June 25 results for the year to March 31, 1976, show a turnround from a loss of £0.48m. to profit before tax of £4.1m. The chairman states that while this figure still fails to provide an adequate return on shareholders' funds employed it reflects success from efforts in the last 18 months to control costs and to reduce the involvement in certain parts of the business; in particular, the loss from transformer operations has been reduced to £649,000. The Canadian company, Ferranti-Packard, has achieved a very substantial increase in profits, although the effect on U.K. cash flow has been limited by Canadian government dividend restraint. These improvements have been partially offset by the Semi-Conductor activity which had a difficult trading year.

The completion of arrangements with the Government has introduced £8.67m. of new equity capital, and a medium term loan of £6.33m. which, coupled with the total of £6.98m. generated by operations, has enabled the group to reduce short-term bank borrowings significantly.

A statement of source and application of funds shows a decrease in bank overdrafts of £12.07m. (£7.19m. increase).

A geographical analysis of turnover shows: U.K. £33.07m. (£74.47m.), rest of Europe £1.84m. (£1.74m.), and North America £23.57m. (£14.07m.). Exports including goods sold to subsidiaries came to £27.44m. of which £20.14m. were direct.

Meeting Millbank Tower, S.W., on July 28 at 12.15 p.m.

Wheway Watson

Wheway Watson Holdings, chainmakers, engineers and forgers, has the necessary production facilities to take full advantage of the expected upsurge in the economy during the second half of the current financial year, states Mr. W. Gibson Biggart, chairman.

Export deliveries for the coming year look particularly promising and should exceed the record £0.83m. achieved last year, he tells holders in his annual statement.

The maintainance of a strong financial position will remain a major objective in the coming year, he adds.

Good start for 600 Group

MACHINE TOOL manufacturers, engineers, steel distributors and scrap processors, The 600 Group, has started the year well and Sir Jack Wellings, chairman, expects trading conditions to continue to improve in the current year.

On June 11 it was reported that pre-tax profit for the year to March 31, 1976 declined from £10.23m. to £8.12m. on turnover of £150.46m. (£151.91m.) and dividends are 3.3216p net (3.0615p).

Iron and steel products and services accounted for £77.58m. of turnover and £2.54m. profit, machine tools £48.41m. and £3.9m. and engineering products and services £24.47m. and £1.69m. The U.K. contributed £101.63m. to total turnover, Africa £11.54m. and the Middle East £7.79m.

As stated in the rights document, capital expenditure for the current year of £5m. has already been authorised, and substantially the whole of this will be used to improve and expand the facilities of the U.K. manufacturing and processing units. This will be financed from existing resources. The funds raised by the rights issue will enable the company to take advantage of opportunities arising, and an increase in the permanent capital base will also permit the financing of additional working capital and further fixed capital investment in the U.K. and overseas.

At year-end the approximate value of the group's land and buildings was £3m. in excess of the net book value of £14.34m.

Meeting, Grosvenor House, W., July 28, 11.30 a.m.

● comment

With several months of the current year under its belt, 600 Group is confident of making good progress for the year as a whole. There is substantial scope for recovery on the steel and scrap side, where profits were halved last year, and in machine tools and cranes buoyant export markets should mean that the growth trends are Benefits are expected for instance, from the machine tool link, which due course involve an in of some £575,000—a sim smaller arrangement h completed to market cra shares represent a solid ment in the engineerin carrying a yild of 7.9 and they could soon sta cover from the relative since the recent rights is

Chairman's statement

Williams Hu to withdraw proposals

Williams Hudson, he Mr. David Rowland, has to withdraw its controve posals for reducing the ensuring their defeat at EGM. They claim that so far received are 74.3 in favour compared wit per cent. majority requ in view of the narrow involved Mr. David Argo Carribean Comp vote its 44 per cent. against the proposals.

This outcome has clea influenced by drummed up by M Ormond's Surinvest gro main fear here was that issue, subsequent to th reduction, would be f shareholders without information being although Williams Hudso that such an issue justified on the basis o published information, Carribean would have in the matter.

Williams Hudson say consider putting forwar tive proposals at a later WH share price jumpe 18½p last night, compare par value of 20p.

BIDS AND DEALS

TDG offer to H. Cox

Comet Radiovision Services and McOnomy have reached agreement whereby Comet has acquired the capital of McOnomy for £396,000 and, as part of the arrangements, all outstanding loans made by McOnomy, amounting to some £239,000, have been repaid and a contingent liability of £138,000 of McOnomy relating to Canban Limited (Canban) will be extinguished.

Canban, which assembles and markets Quartz LED watches is and the shares in Canban held by McOnomy have been acquired by the former shareholders of McOnomy for a nominal consideration.

McOnomy's sales for the year ended February 29, 1976, amounted to approximately £12m. and the net loss was £134,150. Net tangible assets at that date were £135,738 and, since then, further losses have been incurred.

SHRDL

COMET ACQUISITION

Transport Development Group, the road haulage, storage and engineering concern, is offering 30p per share cash for the 73.7 per cent. of H. Cox and Sons (Plant Hire) which it does not already own in an agreed bid valuing Cox at £14.4m.

Terms have also been agreed for the acquisition of the Cox 8½ per cent. convertible unsecured loan stock 1990-95, of which TDG currently owns 47.4 per cent., for £82.50 cash per £100 of nominal stock.

Ordinary holders will be entitled to receive and retain the final dividend of 1.466p per share in respect of the year ended March, 1976.

The Cox directors have agreed to accept the offer in respect of their own shareholdings (360,875 shares). Cox's share price closed unchanged at 23p.

LLOYDS BANK GUERNSEY

The Guernsey branch of Lloyds Bank Trust Company (Channel Islands) has merged with Lloyds Bank International Trust Corporation (Guernsey), formerly LBI Finance (Guernsey).

The merger will allow the company to offer a wider rangeof services, including the acceptance of deposits in sterling and foreign currencies, the administration in Guernsey and international trusts, estates and companies: the management of international investment portfolios and customers' international tax affairs.

The office of Lloyds Bank Trust Company (Channel Islands) in Jersey is not affected by this merger.

PMPA SELLS

Agreement has been reached whereby 1,834,851 shares of New Ireland Assurance Company (36.7 per cent.) owned or controlled by PMPA Insurance are to be sold to L'Union des Assurances de Paris.

PMPA will receive a minimum of 121.5p per share—made up as to 120p purchase cons plus entitlement to the interim dividend of 1. per share already decl addition PMPA will re final dividend in respec

This transaction mear profit in the region of has been made by PMP of PMPA for 1975 was (£480,000), before tax of (£231,000) and minor £13,000 (nil). Dividenc cent. (20 per cent.).

S. PEARSON

S. Pearson and Son a the following share tra together with the comps earned thereln.

On April 30 the Dickin acquired 1,400 shares. holding 8,037,856. On M Dickinson Trust disposed Revised holding 8,029 May 21 the Dickinson posed of 116. Revised 8,029,342. On June 4 the Trust disposed of 132,948, and the Dickinson Trust Cowdray Trust jointly 132,948. Revised holding

On June 14 the Dickin and the Cowdray Trus acquired 1,200. Revised 3,877,159 and the Cowdr acquired 260 revised 6,705,310. On June 21 the Trust acquired 2,800. Revising 6,708,110 and the Trust acquired 12,000. holding 7,908,394. On Jun Dickinson Trust disposed Revised holding 7,900,394 Dickinson Trust and the Trust jointly acquired 8 vised holding 3,885,159.

R. & G. CUTHB

In the light of the re in the price of the sh R. and G. Cuthbert, the admitted yesterday that taking place which may an offer being made for pany.

A further announcemen made as soon as possi meantime, shareholders vised to take no action. C shares jumped by 5½p to night.

CARCLO GROUP

Carclo Engineering through its subsidiary, R. Cutmaster, has purchas capital of Thomas White of Paisley from J. and for £122,500 cash. Net acquired were £100,000.

JETINGA HOLDI

Acceptances received in of the offer by Camellia ments for Jetinga amounted to 260,142 share per cent.). It is now uncon but remains open.

PEACOCK SASIN

The offer documents of Plantation Holdings' mended offer for Peacock Estates has been posted. ances should be received 27.

RESULTS AND ACCOUNTS IN BRIEF

BRITISH STEAM SPECIALITIES GROUP—Results for year ended March 31, 1976 reported June 25. Fixed assets, £2.12m. (£1.78m.). Current assets, £9.64m. (£7.84m.) and liabilities £5.58m. (£5.25m.). Chairman says sales for first two months of current year are in excess of those for corresponding period last year. Meeting, Leicester, July 29 at noon.

DELTENNE HOLDINGS — Due to nationalisation of estates in Sri Lanka not yet possible to finalise results there during 1975. Consequently there will be some delay in announcement of figures.

EUSTON CENTRE PROPERTIES (jointly owned by Stock Conversion and Investment Trust and George Wimpey and Co.) — Pre-tax revenue £1,163,344 (£1,336,328) for year to March 31, 1976, before tax £599,735 (£679,864).

IMPERIAL CONTINENTAL GAS ASSOCIATION—Results year ended March 31, 1967 reported June 23. Total group fixed assets £133.95m. (£128.12m.), including investments £67.78m. (same). Net current assets £27.44m. (£8.98m.)—cash and short-term deposits £11.87m. (£7.21m.) and overdrafts and loans £4.49m. (£12.56m.). In their report auditors state that special items relating to profits and losses arising from changes realisations and transpositions of investments and other capital assets have been taken direct to capital reserve instead of to profit and loss account as specified by SSAP No. 6. The effect has been to decrease net taxed profits by (£149,000 increase). Meeting W. House, EC, July 27 at 11.30 a.m.

LONDON TIN CORPORATION for year ended March 31, 1976 reported. Investments, £9.23m. Net assets £11.48m. (£10.97m.).

MOUNTVIEW ESTATES — Re year to March 31, 1976 reported Fixed assets £5.384 (£6.236), assets £3.17m. (£3.34m.); current ties £131,447 (£742,709). Chairma ates that it becomes more difficu year to acquire the properties to replace those sold and to ensur profits. However the company ha funds and resources to buy suita perties at the right prices. Des present economic gloom he looks to again reporting good profits coming year. Meeting, Russell Ho July 28, noon.

TRUSTEES CORPORATION — for year ended May 31, 1976 with values reportd June 25. To red parity, directors intend to declare dividend of 1.3p in December. I indicate any increase in total for year. Investments £81.98m. (£ Meeting, Winchester House, E.C., at 12.45 p.m.

VIEW FORTH INVESTMENT T Final 1.69p making 1.5p (1.37p). revenue for year ended March 3 £132,013 (£137,257). Attributable t pany £98,996 (£99,485) after charges ing tax £45,238 (£41,627). Earnin per share 1.357p (1.363p).

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Electronic Rentals doing well so far

fits for the first two months e current year at Electronic ls Group are running ahead recast, the chairman, Mr. M. y, tells holders.

January Mr. Fry indicated pre-tax profit for 1976/7 be a record £10m. provided were no adverse changes in g conditions.

known, pre-tax profit for the to March 31, 1976 declined £6.52m. to £5.58m. after ex- nal debits totalling £1.46m. m. credits) — the chairman that while there will be fur- xceptional items in the cur- year they are all non- ing. Before exceptional profit was up by 24 per cent. 05m.

orts during the year in- d from £0.78m. to £2.17m. nds total 1.874p net (1.296p). investment during the year d a record £41m., the r part being to buy new ion sets and sets on rental. short-term objective is to ue to expand the profitable nies in the group and en- m early return to profit- by those companies in the g and leisure division found last year difficult, he

racts for capital expendi- outstanding at year-end led to about £1.67m. .) — that authorised but ntracted for was £17.35m. m.).

ing, Howard Hotel, WC, , noon.

ttle change Manson nance

making all necessary pro- net profit before tax of Finance Trust was mar- higher at £506,000 for the April 30, 1976 compared 102,000 for 1974-75. Group was £1.5m. (£1.48m.). nereased capital and after 258,000 (£256,000) earnings own to be down from 4.1p per 20p share. The divi- dend is held at 3.25p net with a final of 1.75p absorbing £124,250.

The year has been a period of further consolidation say the directors and the expected increase in business did not accrue until the latter part. The company has substantial unused facilities but has nevertheless maintained its policy of making selected advances secured by first mortgages.

The administrative staff was expanded during the year so that additional growth can be handled and the increased costs have contributed to the restricted increase in profits.

During the past few months a greatly increased volume of business has been written and the Board believes that the current year will reflect the benefits of its forward planning.

Downturn for Tex Abrasives

FOR THE year ended March 31, 1976, profit of Tex Abrasives fell from £340,290 to £281,760, with the second half producing £150,033 (£159,333).

At the half-way stage the directors were hoping that the year's profit would not be very much lower than 1974-75.

Turnover rose £0.8m. to £8.73m. After tax £126,525 (£178,403) net profit came out at £155,235 (£161,887). The dividend is again 2.70673p net per 10p share with a final of 2.03675p.

Glass Glover tops £100,000 halfway

Turnover of Glass Glover Group improved from £3.39m. to £7.61m. in the six months ended March 31, 1976 and pre-tax profit was up almost 80 per cent. to £100,219. For the year ended September 30, 1975 profit increased by 25 per cent. to £201,509.

The chairman, Mr. H. Glass, states that while the company cannot maintain a similar rate of growth in the second half, he confidently expects these results to exceed those of the corresponding period last year. He looks forward "to steady profits growth in the months and years ahead."

Stated earnings are 0.8092p (0.4558p) per 3p share and the interim dividend is raised from 0.1966p to 0.2162p net—the previous year's total was 0.67565p, adjusted for the one-for-one scrip issue.

The directors propose to pay the maximum permitted final.

The company operates as food distributors and importers of fresh fruit and vegetables.

Mr. Glass reports that during the first half there was continuing growth in all sectors of the group's activities.

The impact of the unique imported potato situation has only marginally benefited the figures, as it continued to be company policy to avoid the risks associated with such speculative ventures. Accordingly, it would be fair to attribute the improved performance to the successful implementation of declared trading policy.

	6 months 1975-76	1974-75
	£	£
Turnover	7,613,153	5,301,200
Trading profit	94,881	46,085
Interest*	4,325	9,704
Profit before tax	180,219	95,709
Taxation	34,700	30,160
Net profit	45,519	25,649
Interim dividend	12,102	11,657

* Less overdraft and loan interest.

Davenport Knitwear

Profits of Davenport Knitwear show a slight improvement from £317,160 to £327,243 in 1975. The dividend is raised from 2.24p to 2.374p net per 10p share.

After tax £180,075 (£165,946) net profits was £147,169 (£151,214).

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RENOLD

THE WORLD'S LARGEST MANUFACTURER SPECIALISING IN POWER TRANSMISSION

Statement by the Chairman, Mr. L. J. Tolley, C.B.E.

The 46th Annual General Meeting of Renold Limited will be held on 29th July at Renold House, Wythenshawe, Manchester.

The year 1975/6 was very difficult for most sections of the engineering industry throughout the world, as a result of the drastic change beginning late 1974, following two years during which demand was so high that it could not be fully met. The effect on the international operations of the Group varied. Our heavy sector, which is concerned with industries such as steel, coal, oil and sugar, remained buoyant because of substantial order backlogs, whilst other sectors suffered severe reductions in demand. These latter reductions were in the volume sensitive products and to some extent were artificial in that they reflected over-ordering and over-stocking by customers in earlier periods.

In the circumstances, our trading profit of £13,852,000 and profit after taxation of £5,297,000, although less than the record results of the previous year must be considered reasonably satisfactory.

In current money values, a trading profit sufficient to keep pace with inflation and provide for investment, including expansion, would need to be at least £20,000,000. As a result of previous action, our United Kingdom capacity at the present time is already adequate and up-to-date and, unless the national economy is so organised as to permit the earning of profits of the necessary magnitude, it would be unwise to undertake large scale investment for the future.

In the United Kingdom, aggravating the fall in demand, results were further depressed by the inflexibility of the operation of the Price Code with its productivity deduction clause and the long delays between incurring cost increases and price recovery. While the effects of this may now be alleviated, its continued operation in the field of engineering products is completely unrealistic.

Activity and profit were reduced in Europe, particularly France and Germany, where they reflected the low engineering activity but this was offset by improvements in some other countries so that in total overseas profit was only slightly less than the previous year.

Our finances are in very good shape, thanks to tight control of stocks and cash and the proceeds of the rights issue last July.

PERSONNEL

During the year, everyone faced severe problems. Inflation, high taxation, some short-time working and the need for flexibility in work attitudes have all been taken in their stride with first-class co-operation throughout. Our joint consultation procedures have kept everyone informed of progress and have continued to work well. Our thanks are due to all employees for helping the Group to come through a difficult year so satisfactorily.

This year's United Kingdom Budget, in its attack on fringe benefits, gives the impression that such benefits are widespread amongst industrial executives but even if there are isolated examples they are not prevalent in competitive manufacturing industry. At Renold, for example, although, where appropriate, executives have company cars, we have no company housing, no low cost loans and no education or medical subsidies. The attack on company cars is unfortunate. This benefit has always provided a most necessary incentive to the ambitious executive in this over-taxed country and it is a benefit on which he already pays tax. Any further reduction in its value, or its elimination, will provide yet another reason for executives to seek greener fields.

MANUFACTURING INDUSTRY IN EUROPE

On many previous occasions in the Renold Report, it has been emphasised and your attention has been drawn to the decline of manufacturing industry in the United Kingdom and its consequences. This disease is now spreading throughout the industrialised countries of Europe where more and more domestic manufacturers of finished products are opting out of manufacture in favour of imported products. Throughout Europe, all countries seem intent upon creating a post-industrial society before they have created the resources and alternative employment opportunities necessary to sustain such a move. This trend is of particular concern to companies such as ours who supply engineering components. Unless the finished product is manufactured in the United Kingdom and Europe, we have to look further afield for our markets and success becomes increasingly difficult as the newer manufacturing countries often engage in industrial chauvinism and economic participation is inhibited.

The industrialised countries must therefore reverse this trend of opting out of manufacture, particularly here in the United Kingdom. People must be encouraged back into manufacturing industry by increasing its attractions and by decreasing the present advantages of service industries. Despite all recent apparent encouragement by Government, manufacturing industry in this country is still declining and, as a result, we at Renold have found it necessary to reduce the number of manufacturing locations in order to utilise our existing facilities more efficiently. Only manufacturing can create the nation's wealth and, until it is able to do so to a greater extent than at present, we must restrict resources for all services which represent the national overhead so that manufacturing and its people can be encouraged.

To get manufacturing industry everywhere back on the road to progress and growth is a mammoth task (indeed its decline may already have gone too far to be reversed) and it will need the co-operation of all. It will also need recognition that adequate profits are an absolute necessity, that investments when made must be efficiently utilised to maximum capacity, and that people in manufacturing industry must be rewarded adequately in return for a new commitment to produce more economically and efficiently than anyone else.

GROUP RESULTS

	This Year £'000	Last Year £'000
Sales	101,292	89,381
Profit on Trading for the Year	13,852	16,284
— United Kingdom Companies	7,067	9,367
— Overseas Companies	6,785	6,917
Profit attributable to Ordinary Stockholders	5,355	5,851
Ordinary Stock Dividend per unit of £1	7·6843p	7·0604p
Earnings per unit of £1	13·9p	18·0p

Earnings per unit of £1 are before adjustment for extraordinary items – 1975/6 £123,000, 1974/5 deficit £126,000 – and take into account the rights issue in July 1975.

THE ECONOMIC SCENE IN THE UNITED KINGDOM

Inflation is still the principal enemy. Although solid progress has been made in the battle since August of last year, we still have a long way to go. The depreciation of the value of the pound makes the task more difficult and strict internal discipline will be necessary for more than just next year. The responsibility for the economic scene is clearly that of Government and our response to Government. There is undoubtedly a new willingness in this country to respond to good Government leadership but it must be the real thing, with party dogma sacrificed in the interests of the nation and decisions made in the light of today's needs, and not the last election or preparations for the next one. With the world moving out of recession, with British oil now flowing and with our goods more competitive than ever, the country can move quickly into an era of prosperity provided we have the will to produce. Governments must sacrifice everything else over the next few years in the interests of production, and trades unions and companies must have only this priority. We must not fail again.

GROUP PROSPECTS

The success of the Renold Group internationally is dependent on the level of industrial activity generally and engineering and capital investment industries in particular. Progressively we have improved our ability to support these industries throughout the world and are in a good position to react quickly to greater activity. Also at home and overseas, some contribution will come from the new products which are being introduced and the new activities which are being explored. However, it is impossible to forecast with certainty the timing of demand increase in all countries.

There is now real evidence of economic recovery in many countries of the world and the relevant Renold overseas activities are already confirming this evidence. The United Kingdom is almost certain to experience an export-led boom, although it will take a little time for this to be reflected in capital investment and improvement leading to increased demand for Group products.

Renold is ready to cater for this demand with its manufacturing capacity in various countries and with its world-wide sales network. While the first half of the year is likely to remain difficult we shall expect in the second half to do well.

RENOLD LIMITED · MANCHESTER

Rediffusion ...in a strong position to take advantage of any opportunities

Sir John Spencer Wills (Chairman)

The forty-eighth Annual General Meeting of Rediffusion Limited will be held on July 28th at the Connaught Rooms, London.

The following are highlights from the Review by the Chairman, Sir John Spencer Wills, which has been circulated with the Report and Accounts for the year ended 31st March 1976.

The year's results

Our television set business in the United Kingdom produced a marginal improvement in profit in spite of conditions discouraging growth. An intensive drive to reduce costs was relentlessly maintained throughout the year.

Outstanding results were achieved by the Redifon companies, which contributed over 20% of the total Rediffusion profits.

Operations abroad are still overshadowed by the losses incurred in establishing a new television station in Hong Kong.

Our interest charge shows a welcome reduction. Since the year-end we have completed the repayment of all money borrowed specifically for financing the expansion of colour television.

Our exports were almost half as big again as last year's.

Television business in the U.K.

In the television set industry the effects of recession were accentuated by Government controls and discriminatory taxation, which added severely to costs and caused immense upheaval. The growth in the number of colour set rental customers was much less than last year's. Sales of colour sets held up much better. The decline in demand for monochrome sets continues—except for portables.

For practically the whole year new business suffered a punishing 25% rate of VAT. A reduction of the compulsory initial payments on hiring and hire-purchase in December 1975 had little effect on demand but in the Budget of 1976 the VAT rate affecting our business was reduced to 12½%. We cannot yet say whether the reduction in initial payments and the reduction of VAT, taken together, will give some impetus to our industry but the early indications are hopeful.

Cable-television will remain in the doldrums until Lord Annan's Committee reports. Our cable networks could carry new kinds of television service if freedom in programming were to be allowed. In North America 'pay-TV' on cable has become extremely popular.

We try to keep in the forefront technically. At Hastings, Rediffusion is now using optical glass-fibre conductors for carrying television signals along 1½ km. of its cable trunk route. This is believed to be the first commercial use in the world of a technique which, one day, may revolutionise telecommunications.

Electronic capital equipment

Redifon Flight Simulation has, again, taken the major share of world orders for airline flight simulators. It is the only company to have simulator contracts for all four of the wide-bodied jet aircraft. The highlight of the year's trading was a £2.25 million order for a device to simulate the in-flight refuelling of the B52 bomber, the first direct order to be placed with Redifon by the U.S. Air Force.

Redifon Computers Limited is now enjoying a major success—with output up by 70% in the year and profits trebled. It is one of the few British-owned companies giving a comprehensive service of design, manufacture, sales, servicing and rental of modern computer systems.

Redifon's overall good results were achieved despite a setback in its Telecommunications company, mainly attributable to a shortfall of orders in the Marine Division resulting from the depressed state of world shipbuilding.

Music services

The profit from our music services improved and we are hoping for good results from these activities in the current year.

Associated companies

The profit of Rediffusion Television was not as much as in the previous year. An increase in the interest it earned offset to some extent reduced earnings from Thames Television. Thames Television's advertisement revenue has improved considerably in 1976.

Rediffusion Holdings suffered a considerable loss, due to heavy interest charges incurred by its subsidiary, Wembley Stadium, on money borrowed to finance its major building works at Wembley. The Conference Centre, due to be completed before the end of 1976, has already attracted a large number of advance bookings.

New among our associated companies is Southern Rentals in which we have acquired a 20% interest, and a first option on the remainder.

Overseas operations

In Hong Kong three television stations are now battling for audiences. Rediffusion Television, in which we have a 63½% shareholding, was the second station to be licensed. We were prepared for it to make a substantial loss again, on the scale of the previous year's, and this turned out to be the case. It has not yet achieved the share of audience at which it aims. But our management team has been strengthened and we believe it now to be the best in Hong Kong. It has not yet had time to show its full capability. Some of RTV's programmes are already attracting large audiences during 'prime time' and advertisers' support seems to reflect their confidence in the station. Hong Kong's economic recovery is well under way and the total television advertising potential is certainly growing. We have every confidence that RTV will prove to be a first-class television broadcasting company. We are responding to its need for further money and we are hopeful of seeing a ready response also from the majority of our fellow shareholders.

In Malaysia and in Singapore our operations achieved satisfactory results.

In Trinidad, our television set business increased its profit. Radio Trinidad, our broadcasting station, maintained its level of profitability. In Barbados the revenue of our company has not kept pace with expenditure, with an inevitable further reduction in profits. Radio Demerara, in Guyana, and Radio Jamaica, both improved on last year's good results.

Delta-Benco-Cascade, our Toronto-based subsidiary, ended a difficult year, which I predicted in my last Review, with a loss. Although it cannot be expected to make a profit in 1976, it may at least be trading at break-even level at the end of that year.

In the latter part of 1975 Rediffusion and Barlow Rand merged their related interests in South Africa by forming a new company in which they are jointly associated with the Standard Bank. This new associated company, called Telarama-Rediffusion Holdings, is participating in a television boom, following the inauguration of television broadcasting in South Africa.

The outlook

Control of inflation is still the essential prerequisite for the resumption of real prosperity in industry. Although some welcome progress has been made in the reduction of the rate of inflation, there is still a long way to go before this evil can be said to have been mastered. Whilst the difficulties affecting some of our overseas interests have not yet been fully overcome, we can hope for a better result from our overseas operations generally. We expect the Redifon companies to show further improvement. Overall, the Group should continue to make steady progress and is in a strong position to take advantage of any favourable opportunities which may occur.

A copy of the Accounts containing the Chairman's Review can be obtained on application to The Secretary (F.T.), Carlton House, Lower Regent Street, London SW1 4LS

REDIFFUSION

INTERNATIONAL COMPANY NEWS + EURO MARKETS

VW set for recovery

WOLFSBURG, July 6.

THE VOLKSWAGEN AG Group will make profits this year and has a fair chance of completely wiping out losses carried forward from 1974 and 1975 providing current trends continue, board chairman Herr Toni Schmucker told the annual meeting.

He said the group carried forward losses were around 950m. marks including nearly 700m. for the parent company.

He added VW aims to return to a dividend payment as soon as possible and the group has made considerable progress towards permanently working at a profit. VW last paid a dividend in 1973 of 4.5 marks.

Herr Schmucker said all signs point to 1976 being a record sales year in Germany for VW, after a 17.3 per cent. rise to around 388,000 VW and Audi cars delivered to customers in the first half over the same 1975 period.

New domestic orders were unsually high in the first quarter. Special shifts had to be introduced to meet demand and sales will therefore continue high for the next few months, he added.

Herr Schmuecker said worldwide group deliveries to customers in the first half were a provisional 1.1m. units —1.6 per cent. below the first 1975 half. However, sales in the second half should be above the same 1975 period, leading to a sales rise of between 4 and 5 per cent. for the whole year. Reuter

Kubota export plans

KUBOTA plans to double its exports in the year to April 16, 1977, from Yen25,600m. or 6.2 per cent. of its net sales in the previous fiscal year, the executive managing director, Mr. Shigekazu Mino, said.

Exports of agricultural tractors will rise to 14,000 units from 8,000, of which 8,000 (5,000) will go to the U.S. and Canada. Reuter reports from Tokyo.

Mr. Mino said the company recently sold 500 agricultural tractors for the first time in Britain and shortly plans to set up a sales office in London.

Kubota has already established tractor sales subsidiaries in France, Canada and the U.S. and is aiming for sales in Africa.

Mr. Mino said exports of cast iron pipes, which with tractors make up the bulk of overseas sales, will increase this year to at least 30,000 (20,000) tonnes in view of increasing demand from the Middle East.

He repeated a recent company forecast of a net profit between Yen22,000m. and Yen24,000m. (Yen19,107m.) on net sales Yen465,000m. (Yen424,782m.) in the current year.

Merck court order shakes German Cartel Office

BY A. H. HERMANN

BY LIFTING the Cartel Office order that E. Merck, the large German pharmaceutical group, must reduce the prices of its Vitamin B-12 products, the Federal Supreme Court has felled one of the pillars on which price control over "market-dominating" companies was designed to rest.

The full text of the judgment is not yet available and the brief press announcement only makes is clear that the Supreme Court in Carlsruhe accepted neither the Cartel Office view of market dominance nor the Berlin Appeal Court's view that Merck has a "paramount position" on the Vitamin B-12 market.

The Merck decision of the Cartel Office, made in February 1975, was the first in a series of "price-control" decisions which stirred a passionate discussion in German business press.

The reversal of it by the Court is in tune with the stance taken by the Cartel Bench of this court, presided over by Dr. Robert Fisher the Court's President, when interpreting the German Competition Act (1973) on other occasions. On the whole the Supreme Court has firmly resisted any regulatory ambitions nurtured by the Cartel Office.

After Merck's victory, Hoffman-La Roche, must have taken fresh hope that it could win its appeal against the price-cutting order made by the Cartel Office in respect of Valium and Librium, which is still pending.

The Federal Supreme Court said that Merck did not have a market dominating position as it lost 40 per cent. of its volume sales of Vitamin B-12 products in the eight years up to 1974.

The Federal Cartel Office held that in spite of reduced volume Merck could maintain its profits by resisting to follow the lower prices of its competitors. This was possible, said the Cartel Office, because doctors became accustomed to prescribe not generic Vitamin B-12 but the well-publicised products of Merck.

In fact the Cartel Office and the Appeal Court of Berlin accepted that the strong position of Merck did not depend on market shares and the absence of competitors but on the hold which this company had on the prescribing doctors.

In this respect the Merck case must be see nas part of the wider efforts to bring doctors' prescriptions under some sort of control, obligingp doctors to prescribe generics or at least the cheaper of the available specialities—a cause promoted particularly by German health insurance institutions.

ACB assets hit all time peak

BY PAUL LENDVAI

VIENNA, July 6.

THE GROUP balance-sheet assets of Austrian Commercial Bank rose by 20 per cent to an all-time peak of Sch.316bn. (almost £10bn.) in 1975 and accounted for 38 per cent. of the total assets of the Austrian credit institutes last year.

This is revealed in the 1975 report just issued by the Association of Austrian Banks and Bankers, which has 34 members, including all commercial and regional banks, merchant bankers, hire purchase institutes and the central institutes of the credit co-operatives.

The report states that in January, 1976, savings deposits held at the banks (as distinct from savings banks) passed the Sch.50bn. mark for the first time. Only one-third of these accounts constituted ordinary savings deposits on 5 per cent. interest. The remaining two-thirds were on longer than statutory notice bearing higher interest rates.

With regard to credit business, the report reveals significant shifts which in turn have reflected the economic recession. Thus commercial credits including all headings expanded by only 12.8 per cent. to Sch 166bn. compared with 1974s 15.8 per cent. Loans to the public sector were up by 64 per cent., export finance by 21 per cent. and personal loans by 16 per cent. The share of loans of the balance sheet assets droped from 41.4 per cent. to 37.6 per cent while investment in bonds rose from 5.6 per cent. to 7.3 per cent. of the total.

Though industry, commerce and trade still account for the lion's share—70 per cent.—of the outstanding credit, the slackening demand was reflected in the lower than average growth of credits—7.8 per cent.—to industry.

In addition to a detailed survey of international and Austrian monetary trends with special reference to the repercussions from the balance of payments surplus and the resulting high domestic liquidity, the 1975 report also contained a summary of the balance sheets of the commercial and merchant banks as well as other member institutes.

The report also includes the names of all board members as well as a lis tof branch officers, addresses, telephone and telex numbers.

Optimism after Austrian textile merger

BY OUR OWN CORRESPONDENT

VIENNA, July 6.

THE MERGER of three American textile factories in Lower Austria completed with the financial assistance of the Austrian state should be able to put the new concern on a self-supporting basis following the concentration of production plants and readjustment of the labour force to changed conditions. This was announced at a Press conference by the director-general Dr. Johaness Giessrial.

The new company Aktiengesellschaft der Voeslauer Kammgarnwerke is expected to achieve a total turnover of Sch 1bn. (about $30m.) this year. However the Board is still faced with what ure described as "substantial losses" this year, though they will be below the level of the Scn.81.8m. registered in 1975. By 1977 the company anticipates a positive cash flow and by 1978 profits.

The new concern was established with the help of funds to the tune of Sch.134m. provided by the ERP Fund (Marshall Plan Fund) and the Development Bank, called Investitionskredit AG. The reorganisation involved the closure of several plants and the large-scale redeployment of capacity. At present the new concern has a production staff of 1,930 which will be reduced by the end of the year to 1,890 with further redundancies expected in 1977. The Board also revealed that Voeslauer, the largest of the three companies which formed the new concern had a 34 per cent. fall in turnover to Sch.455m. last year and suffered a loss of Sch 81.8m.

Meanwhile the textile merger is a highly controversial subject in the Austrian textile industry which had its worst year ever in 1975 with a production setback of 12 per cent.; the number of production plants was reduced by 32. Compared to 1974 the adverse balance in textile trade tripled to Sch.1.2bn. Though the order book situation has improved this year, textile imports are still running well over adverse balance in textile trade deficit during the first quarter of 1976 has already reached Sch.430m., up Sch.100m. on the same period last year and Sch.240m. higher than in the January-March period in 1974.

The industry's spokesman maintained that a large number of small- and medium-firms does not constitute a structural weakness but rather an advantage. Other observers however recall the fate of the Voeslauer group and advocate the setting up of larger textile concerns. The industry has a labour force of 50,000 and despite a deteriorating situation the textile workers' union demands a 9 per cent. wage increase as well as guarantees for the employed in case of bankruptcies.

Union spokesmen also emphasised that textile workers' wages are still 25 per cent. to 30 per cent. below the average wage level in Austria. Commentators point out that it is not so much the low cost countries but rather the competition of imports from the European Community countries, primarily Italy, which has become a crucial problem for the shrinking domestic textile industry.

SELECTED EURODOLLAR BOND PRICES
MID-DAY INDICATIONS

STRAIGHTS	Bid	Offer
Australia 10pc 1983	104½	105
Ashland 8pc 1985	96½	97½
Allgemeine 8pc 1987	93½	94½
BNDE 9pc 1984	100	100½
CNE 9pc 1984	100½	101½
Canon 8pc 1984	99½	100
EIB 9pc 1986	101	101½
EIB 9pc 1985	102½	103½
EIAB 9pc 1985	102½	103½
Fiat 9pc 1986 Nov.	100½	101½
Eurofima 9pc 1985	100	100½
Grannes 9pc 1985	101½	102½
Massey 9pc 1982	103½	104
Michelin 9pc 1986	101	101½
MIDO 9pc 1985	101½	102½
Newfoundland Lab. 9pc 88	103½	104
New Zealand 8pc 1982	103½	104½
Norsk 9pc 1984	100½	101½
Norsk Hydro 8pc 1986	102	102½
Orto 9pc 1985	100½	101½
Pacific Lighting 8pc 1985	94½	95½
Prov. Quebec 8pc 1984	101	102
Schlumberger 8pc 1985	100	100½
SKF 8pc 1984	101	102½
Sko II 8pc 1986	99½	100½
Standard Oil Ohio 8pc '85	103	104½
Svenska Handels 8pc 1986	101½	102½
Volvo 8pc 1985	102½	103½
NOTES		
Barclays 9pc 1982	100½	101½
British Gas 9pc 1981	101½	102
Charb. France 9pc 1981	99½	100
Denmark Mort. Bk. 9pc '81	100	101½
EFTA 9pc 1981	101½	102
EFTA 9pc 1982	100½	101½
Electricity Council 9pc '81	100½	101½
Montreal 9pc 1981	102	102½
Nippon Steel 9pc 1981	102½	103½
Norway 9pc 1981	101	101½
Prov. Quebec 9pc 1981	102	102½
Saxonia 9pc 1981	102½	103½

Source: White Weld Securities.

CONVERTIBLES	Bid	Offer
American Express 4½pc '87	78½	80½
Ashland 5pc 1988	83½	84½
Beatrice Foods 4½pc 1992	84½	86½
Beatrice Foods 4½pc 1992	111	113
Borden 5pc 1992	99	101
Broadway Hale 4½pc 1987	73½	75½
Canon Camera 7½pc 1989	138	136
Carnation 4pc 1987	78	80
Chevron 5pc 1988	119	121
Dart 4½pc 1987	74½	76½
Eastman Kodak 4½pc 1988	113½	117½
Economic Labs 4½pc 1987	74½	76½
Fed. Dept. Stores 4½pc '85	112	114
Firestone 5pc 1988	88	90
Ford 4pc 1988	93½	97½
Ford 5pc 1988	55	57
General Electric 4½pc 1987	94	96
Gillette 4½pc 1987	74	76
Gould 4pc 1987	93½	97½
Gulf and Western 5pc 1988	101	103
Harris 5pc 1992	87	89
Honeywell 6pc 1991	81½	83½
ITT 4½pc 1987	71	73
Komatsu 7½pc 1990	104	108½
J. Ray McDermott 4½pc '87	144	146
Mitsubishi Elec. 7½pc 1991	104½	106
Mitsui 7½pc 1990	102	104½
J. P. Morgan 4½pc 1987	117	119
Nabisco 5½pc 1988	81	83
Owens Illinois 4½pc 1987	101	103
J. C. Penney 4½pc 1987	79	80
Pioneer 4½pc 1988	250	255
Revlon 4½pc 1987	107	109
Reynolds Metals 5pc 1988	87	89
Sperry Rand 4½pc 1987	100½	102½
Stanbih 4½pc 1987	74	76
Texaco 4½pc 1988	74½	76½
Tenneco 5pc 1988	100	102½
Union Carbide 4½pc 1992	117	119
Warner Lambert 4½pc 1987	83½	85½
Warner Lambert 4½pc 1988	79	81
Xerox 5pc 1988	76	78

Source: Kidder, Peabody Securities.

U.S. stake in Henriques

BY HILARY BARNES

COPENHAGEN, July 6.

PHILADELPHIA National Bank has accepted a minority holding in the small Danish bank, R. Henriques Bank. Henriques Bank, which was established in 1974, has close relations with the stockbroking company R. Henriques Jr., a member of the Danish bank consortium which arranges foreign loans for Denmark.

The Danish bank has made a special share issue of Kr.2m. (£180,000) to Philadelphia National, taking total share capital from Kr.10m. to Kr.12m. The bank's balance-sheet total at the end of June was Kr.153m

Philadelphia's step is an innovation for Danish banking. It is the first time that a foreign bank has chosen this method of entering the Danish market, although since foreign banks were allowed to set up here in 1974, several banks, including Britain's Standard and Chartered, have opened branches in Copenhagen.

PTT order for five new systems

By Robert Mauthner

PARIS, July 6.

FOLLOWING THE French Government's choice last May of American and Swedish telephone exchange systems for the medium-term and a new generation of French exchanges for the longer term, five new Metaconta space-division switching systems have been ordered by the PTT, the French Post Office.

CGCT, which has remained an ITT subsidiary after the purchase by the French electrical group Thomson-Brandt of majority stakes in the American company's other French subsidiary, LMT, and the Swedish company Ericsson's French offshoot, has won a contract for three of the Metaconta exchanges, while LMT has obtained an order for another two.

Further orders for two or three Axe exchanges, also space - division switching systems, will be placed in 1976 with Ericsson, France, now a member of the Thomson Group, by the French Post Office, which will thus completely overhaul its ageing equipment in some of the major French cities such as Marseilles, Lyons, Nantes and Orleans.

Altogether, these exchanges represent nearly 100,000 new lines, the first stage of a massive telephone modernisation programme which will cost the French Post Office as much as Frs.104bn. (about £12bn.) over the next five years.

By 1980, the PTT expects to order 1.8m. new lines of the Metaconta or Axe systems, 2.5m. new lines of the time-division digital E-10 system developed by the Compagnie Generale d'Electricite's subsidiary CIT-Alcatel and 9.7m. lines of the more traditional "cross-bar" system.

Record Rio Bourse

RIO DE Janeiro's Bourse index has reached a five year high of 4713.4 points after one of the most active trading weeks in recent years, Bourse sources said.

Recent trading produced the highest turnover this year of 42.5m. shares, with transactions worth a total of Crs.157m. The value of Sao Paulo's Bourse turnover also reached a 1976 high of Crs.91m. at the end of June.

Bourse sources said current gains, which are the highest since advances after last May's law allowing foreign capital investment on the exchanges, stem partly from the recently announced government plan to strengthen the private sector.

The sources said other factors in the rise are an expected inflow of money from the 157 fiscal incentive funds, several good annual results from quoted companies and speculation on a bonus issue from the Bank of Brazil, following the one from Petrobras recently.

Ansett's Bic stake

ANSETT TRANSPORT Industries said it purchased a 50 per cent. stake in Biro Bic and Gollin from Gollin Holdings for an undisclosed sum, Reuter reports from Melbourne.

Biro Bic of the U.K. holds the remaining 50 per cent. interest in the company which makes pens, disposable cigarette lighters and razor blades.

INFLATION ACCOUNTING

Australian accountants work on the problem

BY JAMES FORTH

AUSTRALIA is currently infatuated with changes to the established methods of accounting. The profession is working towards bringing out a standard on inflation accounting, with prodding from the stock exchanges, and the Government is also committed to introducing changes over the next three years to allow for the effects of inflation. Moreover, the accounting profession is also attempting to iron out bugs which have cropped up in the recently introduced tax effect accounting, with encouragement from corporate regulatory bodies.

Exposure drafts

The profession has been looking at the question of inflation accouting for some time, and had previously issued exposure drafts on current purchasing power accounting (CPP) and current value accounting now renamed current cost accounting (CCA).

CPP has apparently been shelved in favour of the CCA method. A provisional accounting standard is now expected to be issued before the end of September as an important step to the eventual introduction of the new method CCA is the conceptional base for the recommendations on company tax last year by the Mathews Committee, which the Government has pledged to introduce over the next three years.

The Committee recommended allowing companies to adjust stock values to account for inflation and also the depreciation be indexed. The issue of a CCA standard will encourage companies to familiarise themselves with the new method of accounting, but its introduction is probably still about 18 months to two years away. The stock exchanges have now weighed in and written to all listed companies in Australia, requesting that they examine the exposure draft on CCA. The chairman of the exchanges, Mr. J. Campbell Johnston, said the exchanges considered it appropriate that public companies give a lead "in this important area of information."

They want listed companies to move as rapidly as possible towards a position in which they could produce full current cost accounts. The companies have been asked to include, in a statement or commentary to the accounts, estimates of the cost of sales adjustment in relation to stocks consumed, the current value o the business being depreciated a amount of depreciatior able.

Changes in store

At the same time, ch in store for the fa method of accounting recommended by the p The problem area is the of treating possible ta benefits as an offset losses, enabling compan duce the stated size deficit.

In March, the Victor poration Affairs Comr Mr. Brian Waldron, said profession faced a serio credibility because a cur use of this method had that it was not acceptal

The head of the Capital Territories c office followed up by an that tax effect would tively banned after o grace.

The accounting bod now stated that the use tax benefits to reduce a loss will be "heavily cu prohibited." A revised was expected to be i June 30 but will now published as soon as po

CSR expansion programme

BY OUR OWN CORRESPONDENT

SYDNEY.

CSR LIMITED, the major Australian sugar, building materials, pastoral and minerals group, plans to spend $A180m. (£124m.) over the next six years, expanding and modernising its sugar activities.

In addition, the group's 50 per cent.-owned Australian and Kandos Cement is studying plans for a large new cement plant in New South Wales. If it goes ahead, it will require between $A75m. and $A85m.

In the annual accounts, released to-day, directors said that fuutre years should benefit materially from the heavy programme of capital expenditure which will allow increased crops from recently-expanded sugar cane growing areas.

CSR spent A$36m. in this area in 1975/76. Work over the next few years would bring total expenditure to more than A$110m.

Work also began on a $A70m. programme to upgrade plant and to increase operating effeciencies at the company's six sugar refineries. The programme will extend over six years and took $A5m. in 1975/76.

Total capital expend 1975/76 was A$160m., pected to be around A the current year.

Referring to the Mo man iron ore venture said $A180m. was spe the year, largely bringi capacity up from 35m iron ore to 40m. tons.

CSR owns 88 per cer bara Iron, which has cent. stake in the Mo man project.

Pilbara's share of 19 penditure was $A32.5m.

Top level talks at Goodrich

BY MICHAEL VAN OS

A DELEGATION of top-level Dutch Economics Ministry officials has left for the U.S. for talks with the Goodrich Board over the future of the company's extensive operations in Holland.

The three-man delegation is headed by Mr. Josef Molkenboer, the Ministry's director general for industry.

The negotiations followed Goodrich's announcement last month that it may be forced to liquidate its fully-owned Dutch tyre and general rubber products manufacturing activities, putting the jobs of some 4,800 men in jeopardy.

A spokesman for Goodrich-Europe said in Loosduinen to-day that the ministerial delegation would be having talks in Akron, Ohio, with Goodrich president Mr. A. Pendleton Thomas and two vice-presidents, Messrs. Tony Vittone and John D. Ong.

One of the main factors that binds the former Vredestein company and Goodrich together is the latter's wish to continue its presence in the EEC and the fact that around half the production at the large Enschede tyre plant consisted of Goodrich tyres which are sold to several European car manufacturers.

It is understood that some main decisions will have to be made before the next Goodrich Board meeting in Ohio on July 17.

If the Goodrich management cannot present to the directors a "favourable report" on the state of negotiations, the Board could then decide to liquidate the Dutch operations which have begun to affect the financial position of the Goodrich group.

Meanwhile, Reuter reports that the chairman of the parliamentary commission for economi affairs, Mr. K. Wiereng solution would be for The Dutch state and unnamed-partner to ta third stake each in Dutch operations.

Goodrich told the Ministry that July 19, previously set for reach ment with the Dutch a on the future of its tyre ber operations, is no deadline, Mr. Wiereng

It is not known wl be the third partner rich's Dutch unit, Mr. said. The state-owned company, NV DSM, is rested in acquiring a might step in in an em

The ministry is not to allow Goodrich to c withdraw from its Du pany and to relinquish cial responsibility, he

SINGAPORE HOTELS

All change in a flat marke

BY H. F. LEE IN SINGAPORE

HOTELS are not a healthy business in Singapore. The decision by Far Eastern Hotels Development to sell the 410-room Singapore Hilton is only one symptom of the malaise.

Apart from the Singapore Hilton, no less than five other sizeable hotels in the republic have either been sold over the past few months or have been put on the market.

Many of the present owners were drawn into the industry during the euphoric hotel boom in the late sixties. But the owns-wing in the industry cycle during the last few years has either landed them in financial straits, or caused them to re-assess the prospects or viability of their operations.

The Singapore Hilton, which over the past six years has ended up more in the red than in the black, is being offered S$53m. (£8m.).

The funds, according to Far Eastern, are urgently required to help finance the purchase of four logging vessels. This follows the company's decision to out out of hotels altogether and move into shipping activities.

In the same week as the Hilton announcement, the uncompleted 500-room Tanglin Hotel, after years of indecision by its owners, was sold to a leading local hoteller Mr. Khoo Teck Puat, chairman of Singapore's biggest hotel chain, the Goodwood group, for an undisclosed sum.

This is the second time the Tanglin Hotel has changed hands. It was first planned in 1968, at the height of the hotel room shortage, but construction work stopped in 1970 following a change in ownership.

Construction was only resumed in November last year and by the time it is completed next year, it will cost a total of S$35m. (£8m.).

Other hotels which changed hands or were put up for sale over the past few months include the Singapore Hyatt, the Oberoi Imperial Hotel, Hotel Summit and Orchid Inn.

The 834-room Singapore Hyatt, Singapore's biggest hotel in terms of room capacity, was believed to have been sold by its local owners to the Philippine-based Ayala Investment and Development Corporation for around S$47m. (£10.7m.).

The 560-room Oberoi Imperial Hotel, Singapore's third largest, was advertised for sale in major newspapers throughout the world in May this year when the receiver of Imperial Securities International, which owns the hotel, failed to find any buyer near its offer price of S$35m.

The hotel, which is operated by the Oberoi chain of India, has been reporting losses annually since commencing business in 1971.

The Hotel Summit, which together with its planned extension now under construction will have a total of 408 rooms, was acquired recently by the Goodwood group. In the case of the 122-room Orchid Inn, one local property company was believed to have sold it to another.

The dismal state of the industry is corroborated by other statistics. Of the 13 Singapore hotel companies listed on the Singapore Stock Exchange, six companies reported losses last year and, of these, three never saw any profit since opening their doors for business.

Even among those which managed to stay in the black, profits in most cases were marginal in relation to capital employed.

The only exception, perhaps, is the Western International-operated Shangri-La, which is regarded as Singapore's most successful hotel; here, however, the Government has a stake.

The industry's problems stem largely from an oversupply of rooms and high operating costs.

The national building boom in the late '60s produced a surfeit of hotel rooms. At the end of June this year, there were 71 tourist hotels with a total capacity of 10,116 rooms compared with 59 and 3,415 in 1970. By the end of 1979, the republic will have 78 tourist hotels offering a total of 14,169 rooms; this, of course, includes extensions.

Even last year's 7 per cent. rise in the number of visitors to Singapore to 1.32m., which placed the republic ahead of Hong Kong as the leading tourist centre in South East Asia, has failed to generate the occupancy rate which many hotels required just to break even; and to add to their woes, the operating break-even point has been on a continuously steep climb.

As one local hoteller puts it: "Five years ago, depending on its size, a hotel could break even with an occupancy rate between 40 to 45 per cent. To-day, it needs 70 to 75 per cent. to do so."

Implementation of the National Wages Council mendations on wage over the past few ye resulted in a sharp ris wage bill of this labour-industry, to the extent now accounts for more per cent. of a hotel's expenses.

Similarly, utility charg risen substantially over few years. Hotels do n the concessionary indust accorded to manufactu dustries.

Hotel property tax which are charged roug per room night basis re of whether the room is —are too stiff, the hoteli plain.

And on top of that, th themselves are engage price cutting war on roo which are already by standards among the lo the world.

Attempts by hoteliers concessions on taxati utility rates from the ment have so far fallen ears.

This is because the ment is not willing to ac industry the same recogn manufacturing industries is regards as the most in component of Sin economy.

But many of the re leading hoteliers remai mistic.

They point to the in number of visitors to Si over the past few mont the world-wide ec recovery.

The number of visit Singapore during the quarter this year rose by cent. over the corresp period in 1975. The Sir Tourist Promotion Boa also forecast the numb visitors to the republic the two million mark by 1

But until projections ar latedinto reality. Sin hoteliers will have to do than just a good job i intend to keep their h warm and their doors op

The chairman and managing director of Far Eastern Hotels, Mr. Cho Jock Kim, has been charged in a magistrate's court with criminal breach of trust involving S$2m. (£0.45m.) worth of company property between July 25, 1974 and March 30 this year.

Mr. Cho, a Malaysian, was charged with conspiring with Mr. Amos William Dawe and persons unknown in disposing the company's property. Mr. Dawe is the founder and former chairman of the Mosbert group, a widely diversified company with interests mainly in Singapore, Malaysia, Hong Kong and Australia.

He was ousted from the group early this year when Mosbert fell into serious financial trouble and its principal bankers, Moscow Narodny Bank, withdrew all financial support.

Far Eastern was suspended by the Stock Exchange of Singapore in January this year when the company failed to reply to the SES's queries on certain property transactions.

These securities having been sold, this announcement appears as a matter of record only.

NEW ISSUE

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Kuwait Financial Centre s.a.k. — The National Bank of Kuwait s.a.k.

1st July 1976

هكذا من الأصل

هكذا من الأصل

APPOINTMENTS

). Robson to head Guinness Mahon

Donald Robson is to be in of GUINNESS MAHON O., merchant banking mem- the Guinnes Peat Group. take up his appointment gust 1 and will succeed illiam Villiers, who is to chairman of the British Corporation in September. bson, a past joint general r of Westminster Bank, omestic and foreign, has hief executive of Inter- l Commercial Bank for ears. Also joining the ss Mahon Board on August non-executive director, will Julio E. Nunez, an asso- f Mr. Loel Guinness who en closely connected with k.

Mr. Donald Robson

★

I. D. Sainsbury has been ed a trustee of the VAL GALLERY in succes- Miss Mary Woodall, whose office has expired.

★

C. A. Alvarez has been ed chief executive of R ARGENTINA, a sub- of The Wellcomme Foun-

★

. HEATH GROUP has ed Mr. J. W. Pryke as nderwriter to C. E. Heath vriting), pending the re- t of Mr. J. M. Couper- n next year. Mr. D. J. has become a director of Heath (Aviation Reinsur- oking).

★

ger W. Stone has been ed a director of CENTRE- ECURITIES.

★

David M. Bowick, chief e (railways) of the RAILWAYS BOARD, has ppointed a full-time mem- the Board for five years. vick will continue to hold ition of chief executive.

★

R. Crane, an executive of Imperial Metal Indus- s been elected president BRITISH NON-FERROUS S FEDERATION for 1976- le succeeds Mr. L. C. W. who is deputy chairman cutive director of Thomas and Sons. The following sidents have also been Mr. R. H. Asserson, Mr. ett, Dr. J. M. Butler, Mr. bbins, Mr. M. A. Hastilow W. L. B. Shankland. Mr. succeeds Dr. N. Swindells urer.

★

ess Serota of Hampstead n appointed to the chair- of the ADVISORY L ON THE PENAL SYS- llowing the death of Sir Younger.

★

following have been ed full-time chairmen of RIAL TRIBUNALS for ster: Mr. Harold Day July 12) and Mr. E. T. (from October 1).

★

T. J. Healy has been ed a member of the GARDEN MARKET RITY, succeeding Mr. Tudor, who has retired.

★

ay Tindle has joined the of ESSEX AND EAST N NEWSPAPERS in a cutive capacity. Mr. Tindle st president of the News- ociety and is president of ater London Newspaper ion.

★

eter J. Greene has been ed a local director of W. WARD with responsi- or the sales of Ketton

★

Tom Wood, marketing of CHLORIDE INDUS- BATTERIES, has been ed marketing director for and the U.K., and Mr. Pritchard, the company's tional sales manager, has ade export sales director.

★

ollowing directors of the ry companies have been ed directors of EVANS ERS: Mr. F. S. J. Austin, Bentley, Mr. J. Berkhout, C. Chesher, Mr. D. S. and Miss A. F. White.

★

ubert A. Napier has been ed managing director of HIP TOWAGE, a member ocean Group. He succeeds n A. Eades, who retired nd of June but continues ultant to the company. Mr. joined Ocean Transport ading in 1966. He was ed director of operations arine administration for Fleets in 1973.

★

ON BAY MINING AND NG of Toronto, has ed Mr. Robert B. Cairns president — explorations. succeed Dr. J. Blair who has become presi- d chief operating officer aspiration Consolidated

★

Charles I. Ball, a director clays Bank, Barclays Bank lanagement and Barclays nt Bank, has been ed chairman of BAR- MERCHANT BANK in f Mr. D. E. Wilde. Mr. a vice-chairman of Bar- ank, remains a director of s Merchant Bank. Mr. Buxton, an assistant has been appointed a of Barclays Merchant

★

K. P. Shea has been ed a director of SUT- SPEAKMAN AND CO. r. A. Plint has become .

★

Robert R. Tarter, Mr. J. Bonnyman and Mr. Ray- H. M. Russell have been elected assistant directors of BANKERS TRUST INTERNATIONAL, the merchant bank subsidiary of Bankers Trust Company, New York.

★

Mr. J. Duncan Murray, company secretary of MYDDLETON HOTELS, has been appointed a director.

★

Mr. Ronald Carter, Mr. Frank Thompson and Mr. Norman Watson have been appointed to the Board of AUSTIN AND PICKERSGILL.

★

Mr. E. W. Osmond and Mr. G. E. Morris have been appointed deputy group managing directors of the INTERNATIONAL PAINT COMPANY.

★

The following changes have been made in the FIRTH CLEVELAND sub-group of GKN: Mr. H. B. Derbyshire, formerly managing director of Totectors has been appointed managing director of the industrial division of Firth Cleveland and chairman of four of the five companies which form the division. He has also joined the Board of GKN Farr Filtration, the fifth company in the division. Mr. M. P. Rathbone remains on the Boards of those companies. Mr. A. J. Hutchins, formerly production director, has become managing director of Totectors in succession to Mr. Derbyshire.

★

Mr. C. P. Franklin has been appointed president of the ROYAL INSTITUTION OF CHARTERED SURVEYORS for 1976-77.

★

Mr. Eric E. Myers has been appointed a director of GABRIEL AND CO.

★

Mr. J. T. Forbes has been appointed member for personnel and industrial relations to the SCOTTISH TELCOMMUNICATIONS BOARD. He succeeds Mr. W. S. H. Wicks, who has retired.

★

Mr. H. H. Mainprice has been appointed to the Board of ROSSMINSTER TAXATION SERVICES.

★

Mr. W. P. Evans has been appointed director of personnel, GLYNWED GROUP SERVICES. He was formerly with Alcoa of Great Britain.

★

Mr. J. Dickson Leach, chairman and managing director of ENGLISH AND AMERICAN INSURANCE, will retire at the end of November. Mr. B. H. Jenkinson, at present a joint deputy chairman of the company, has been appointed to succeed him as chairman with effect from November 30. Mr. Dickson Leach has already resigned as managing director and Mr. P. D. Evans, at present director and general manager, has become managing director in his place. Mr. J. W. Rampling continues as deputy chairman.

★

Mr. D. G. Lyon has been appointed chairman of THOMPSON GRAHAM AND CO. from September 1. He will succeed Mr. W. D. McClure, who retires from that position, but will remain on the Board. Mr. D. E. Corben is to be managing director from that date and Mr. R. F. Howell will retire from the Board.

★

Mr. F. A. Johnson has been appointed vice-president, customer support of DE HAVILLAND AIRCRAFT OF CANADA with Mr. P. E. Halsey as his deputy.

★

Mr. B. H. Taylor has been appointed managing director designate of DUCTILE SHEET STOCKISTS. It is intended that he will succeed Mr. A. C. Crumpton the present managing director of that company. Ductile Steels is the parent concern.

★

Mr. Ron Tilley has been appointed chairman of COIT U.K. The parent concern is Coit Drapery Cleaners Inc., of the U.S.

Nottinghamshire to save £28m.

NOTTINGHAMSHIRE COUNTY Council plans to slash spending by about £28m. over the next four years, saving about £25 for every person in the county, it was disclosed yesterday.

Councillor Michael Cowan, chairman of the finance committee, said a total of £6m. would be saved in the current financial year, but this would not substantially affect the council's level of services. Environmental services and education would be hit hardest.

ADVERTISEMENT

MR. SHOJI KAMAI

has been appointed PRESIDENT of

THE YASUDA TRUST AND BANKING CO., LTD.

from 29th June, 1976.

ucceeds Mr. YOSHIRO TOZAWA who retains his appoint- of Chairman of the Board. Mr. YOSHIO YAMAGUCHI become a Senior Managing Director and Mr. FUJIO AYAMA has been appointed Managing Director (Inter- nal). Mr. HISAAKI SUZUKI has joined the Board of ctors and retains his appointment of General Manager of the London branch of the bank.

U.K. 'backwardness' only a myth, says Chloride chief

FINANCIAL TIMES REPORTER

MR. JOHN RAY, managing director of Chloride Europe, the battery company, told 40 overseas diplomats and businessmen in Manchester yesterday that they should forget myths they heard of British industrial backwardness.

The Chloride Group's battery plant at Swinton, Manchester, was selected by the Foreign Office as an example of progressive and profit-making British industry.

Representatives from 24 countries of the Organisation of Economic Co-operation and Development toured the battery-making plant at Swinton.

Mr. Ray told them that one of the myths heard abroad was that Britain was a nation on strike all the time. However, from 1972 to 1975 Britain had a better record concerning strikes than some other countries.

Deliveries

"It is true that some British companies have a poor record of deliveries, but by far the majority have a good record. The companies which have poor records have learned that they must get the goods to their customers on time.

"The British worker is as good as any worker in the world and we have 51 countries with which to make a comparison."

"There is a myth that British management is bad. It used to be bad, but it is good now. One of the things with which we have to contend now is the drain of British management resources to all parts of the world.

"We do have a problem of productivity, which is a legacy of the past, but companies are really getting down to the problem now."

Of the Chloride Group, Mr. Ray said: "We have made investments in people, markets and technology which together will meet the challenge of the future.

"Our group philosophy has been to put as much decision-making as possible down to company level, involving people in decisions which affect our future."

Philosophy

He believed that this was the philosophy which had made the Chloride Group into the world's largest manufacturer of re-charged batteries and the world's most profitable battery company.

Frau Ursula Besser, a Berlin MP, said: "We have been most impressed by our visit and by the good management-union relations which the company enjoys."

The visit of the overseas visitors to the Chloride plant was arranged by the Foreign Office conference centre in Sussex.

These securities having been placed privately by the undersigned, this notice appears as a matter of record only.

New Issue

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London Clearing Banks' balances

at June 16, 1976

THE TABLES below provide the first monthly indication of the trends of bank lending and deposits, ahead of the more comprehensive banking and money supply figures published later by the Bank of England. Tables 1, 2 and 3 are prepared by the London clearing banks. Tables 1 and 2 cover the business of their offices and their subsidiaries (excluding Scottish and Northern Ireland banks) in England and Wales, the Channel Islands and the Isle of Man which are listed by the Bank of England as falling within the banking sector. Table 3 covers the parent banks only. In this, it is comparable with the figures produced by the Bank of England, which show the reserve positions of all the banking sectors subject to credit control. Minor differences here arise from the exclusion from the clearing bank figures of Coutts, a subsidiary of National Westminster but a clearing bank in its own right.

TABLE 1. AGGREGATE BALANCES

	Total outstanding £m.		Change on month £m.	
LIABILITIES				
Sterling deposits:				
U.K. banking system	3,017		+ 86	
Other U.K. residents	22,755		−149	
Overseas residents	1,623		− 15	
Certificates of deposit	1,706		+156	
		29,113		+ 78
of which: Sight		10,750		−239
Time (inc. CD's)		18,363		+337
Foreign currency deposits:				
U.K. banking system	2,967		+110	
Other U.K. residents	598		+ 23	
Overseas residents	8,327		+170	
Certificates of deposit	1,053		− 21	
		12,941		+288
Total deposits		42,056		+366
Other liabilities		6,554		+198
TOTAL LIABILITIES		48,610		+564
ASSETS				
Sterling				
Cash and balances with Bank of England		1,031		+ 88
Market loans:				
Discount market	1,074		−350	
U.K. banks	4,392		+ 24	
Certificates of deposit	877		+148	
Local authorities	1,591		+ 12	
Other	271		− 36	
		8,025		−197
Bills:				
Treasury bills	1,162		+140	
Other bills	755		+ 24	
		1,917		+173
Special deposits with Bank of England		668		− 4
Investments:				
British Government stocks	1,763		− 8	
Other	1,004		+ 2	
		2,767		− 6
Advances:				
U.K. private sector	14,310		+131	
U.K. public sector	156		+ 26	
Overseas residents	2,021		− 8	
		16,487		+149
Other sterling assets		4,136		+ 47
Foreign currencies				
Market loans:				
U.K. banks and discount market	2,807		+104	
Certificates of deposit held	246		− 1	
Other	4,720		+106	
		7,773		+209
Bills		22		+ 2
Advances:				
U.K. private sector	1,685		+ 25	
U.K. public sector	951		+ 13	
Overseas residents	2,472		+ 24	
		5,108		+ 74
Other foreign currency assets		626		+ 29
TOTAL ASSETS		48,610		+564
Acceptances		271		+ 9

TABLE 2. INDIVIDUAL GROUPS OF BANKS' BALANCES

	TOTAL Outstanding £m.	Change on month £m.	BARCLAYS Outstanding £m.	Change on month £m.	LLOYDS Outstanding £m.	Change on month £m.	MIDLAND Outstanding £m.	Change on month £m.	NATIONAL WESTMINSTER Outstanding £m.	Change on month £m.	WILLIAMS & GLYN'S Outstanding £m.	Change on month £m.
LIABILITIES												
Total deposits	42,056	+366	11,320	+143	8,073	+ 31	8,248	+ 68	12,915	+166	1,500	− 42
ASSETS												
Cash and balances with Bank of England	1,031	+ 88	319	+ 31	193	+ 26	237	+ 13	309	+ 30	21	− 12
Market loans:												
U.K. banks and discount market	8,383	−228	2,047	+112	2,106	− 52	1,319	− 80	2,642	−173	269	− 35
Other	7,415	+240	1,802	+ 42	1,536	+ 17	1,267	+ 16	2,515	+167	295	− 2
Bills	1,930	+175	460	−123	427	+ 27	490	+ 85	485	+170	68	+ 18
Special deposits with Bank of England	668	− 4	210	+ 4	106	− 6	133	—	203	− 1	19	− 1
British Government stocks	1,763	− 8	461	− 1	512	—	324	− 17	453	+ 24	11	−14
Advances	21,333	+235	6,246	+102	3,382	+ 70	4,198	+ 36	6,371	− 14	898	+ 9

TABLE 3. CREDIT CONTROL INFORMATION (Parent banks only)

Eligible liabilities	18,915	+173	6,108	+ 69	2,857	+ 48	4,140	+ 84	5,225	+ 2	618	—
Reserve assets	2,626	+ 66	823	+ 12	420	+ 27	558	+ 15	744	+ 39	83	− 7
Reserve ratio (%)	13.9	+ 0.3	13.5	—	14.9	+ 0.7	13.5	+ 0.2	14.2	+ 0.7	13.4	− 1.2

Banking figures

(as table 9 in Bank of England Quarterly Bulletin)
ELIGIBLE LIABILITIES, RESERVE ASSETS, RESERVE RATIOS, AND SPECIAL DEPOSITS

1—Banks	†June 16, 1976 £m.	Change on month £m.
Eligible liabilities		
U.K. banks		
London clearing banks	19,063	+172
Scottish clearing banks	2,031	+ 42
Northern Ireland banks	—	—
Accepting houses	1,598	− 58
Other	5,725	+ 22
Overseas banks		
American banks	2,943	+ 63
Japanese banks	257	+ 37
Other overseas banks	1,745	+ 4
Consortium banks	130	+ 6
Total eligible liabilities*	34,027	+289
Reserve assets		
U.K. banks		
London clearing banks	2,634	+ 87
Scottish clearing banks	274	− 7
Northern Ireland banks	—	—
Accepting houses	337	+ 28
Other	979	−53
Overseas banks		
American banks	469	+ 24
Japanese banks	35	+ 4
Other overseas banks	297	+ 60
Consortium banks	35	+ 3
Total reserve assets	5,174	+ 44
Ratios %		
U.K. banks		
London clearing banks	13.9	+ 0.3
Scottish clearing banks	13.5	− 6.6
Northern Ireland banks	—	—
Accepting houses	21.1	+ 2.4
Other	17.1	− 1.0
Overseas banks		
American banks	15.9	+ 0.4
Japanese banks	13.4	− 0.7
Other overseas banks	17.0	−2.4
Consortium banks	25.7	+ 0.6
Combined ratio	15.2	—
	£m.	£m.
Constitution of total reserve assets		
Balances with Bank of England	382	+ 90
Money at call:		
Discount market	1,500	−204
Other	168	− 26
Tax reserve certificates	—	—
U.K. Northern Ireland Treasury Bills	1,870	+188
Other bills:		
Local authority	101	+ 24
Commercial	604	+ 27
British Government stocks with one year or less to final maturity	549	− 55
Other	—	—
Total reserve assets	5,174	+ 44
	£m.	£m.
N.B.—Government stock holdings with more than one year but less than 18 months to final maturity amounted to	198	+ 8
2—Finance houses		
Eligible liabilities	280	+ 7
Reserve assets	31.7	− 1.1
Ratio (%)	11.4	− 0.6

Special deposits at June 16 were £991m. (down £6m.) for banks and £8m. (unchanged) for finance houses. * Interest-bearing eligible liabilities were £23,114m. (up £366m.). † Figures for Northern Ireland banks were not available because of industrial action by bank employees. Total figures for all banks for June include those for Northern Ireland banks for May 1976.

COMPANY NOTICES

WESTERN AREAS GOLD MINING COMPANY LIMITED
(Incorporated in the Republic of South Africa)

NOTICE OF GENERAL MEETING

Notice is hereby given that a General meeting of members of Western Areas Gold Mining Company Limited, will be held in the board room, Consolidated Building, corner of Fox and Harrison Streets, Johannesburg, on Thursday the 29th day of July, 1976, at 10.00 a.m. for the purpose of considering and, if deemed fit, of passing with or without modification the following resolution as a special resolution:

"That, subject to confirmation by the Supreme Court of South Africa, the share premium account of the company amounting to the sum of R124,331,960·45 be and it is hereby eliminated and that such sum be transferred to an account to be styled "Non-distributable Reserve Account" and that application be made to the Supreme Court of South Africa (Witwatersrand Local Division) for confirmation of the aforesaid elimination of the share premium account of the company and that any one of the directors of the company is authorised to take such action and to sign all such documents as may be necessary for that purpose."

Reason for and effect of the special resolution
The annual duty payable by the company in terms of section 174 of the Companies Act, 1973 is calculated at the rate of two rand and fifty cents per each ten thousand rand or part thereof of the issued share capital of the company plus its share premium account. The proposed special resolution will eliminate the share premium account and transfer the amount thereof to Non-distributable Reserve, thereby reducing the company's liability for annual duty. The reduction of capital requires confirmation by the Supreme Court of South Africa. Application to the Court will be made within sixty days of the passing of the special resolution.
The Share Transfer Books and Register of Members of the company will be closed from 23rd to 29th July, 1976, both days inclusive.
A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and speak and on a poll, vote in his stead. A proxy need not be a member of the company.

By order of the board
JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED.
Secretaries,
per D. F. R. Beumago

Head office and registered office:
Consolidated Building,
Corner of Fox and Harrison Streets,
Johannesburg 2001.
(P.O. Box 590, Johannesburg 2000).
6th July, 1976.

London office:
27 Austin Friars,
London EC2N 2QS

NOTICE TO THE HOLDERS OF PETROFINA WARRANTS

Following the increases in capital agreed upon at the Extraordinary General Meeting held on May 14th, 1976, it has been decided to multiply the exercise price of the warrants so that it may truly reflect the increase in the number of Petrofina shares.
As announced in the Agenda of the above-mentioned meeting, the readjustment was made by applying the formula foreseen in the prospectus relating to the 1973 Makna B.V. bonds with Petrofina warrants attached.
This formula results in a reduction of the warrants exercise price which from now on will be up to June 20th 1978: BF 3,878.— and from July 1st, 1978 up to June 20th, 1983, BF 5,445.—

AFC INVESTMENTS LIMITED
Incorporated with limited liability in the Republic of South Africa
NOTICE IS HEREBY GIVEN that the Ordinary Share Transfer Books and Register of Members will be closed from 31st July to 6th August 1976 both days inclusive for the preparation of warrants in respect of the Final Ordinary Dividend for the year ended 30th June, 1976
By Order of the Board.
AFRICAN FINANCE CORPORATION LIMITED
London Secretaries
Per K. T. TICKNER.
London Office:
62, London Wall, EC2R 7JT.
5th July, 1976.

PECHINEY UGINE KUHLMANN
French Public Limited Company
Capital FF 2,516,150,900
Registered Office
10 rue du General Foy—Paris 8.

INTERNATIONAL BOND ISSUE
8% 1971/1976 of FF.50,000,000
ex. UGINE KUHLMANN
We inform the bondholders that the 3,400 bonds of FF.5,000 each, totalling FF.17,000,000, which amount represents the first amortisation due 1st September 1976 of the above-mentioned bond issue, have been purchased on the market.
There will therefore be no drawing in respect of this amortisation.
Nominal value of bonds remaining in circulation, following the said amortisation: FF.33,000,000.
CREDIT COMMERCIAL DE FRANCE, Paris
Financial Agent to the Company

TORAY INDUSTRIES, INC.
(Formerly Toyo Rayon Kabushiki Kaisha)
S. G. WARBURG & CO. LTD. announce that a dividend of Yen 2·50 per share has been paid to shareholders on the books of the above Company at 31st March, 1976, in respect of the six month period ended on that date.
Holders of Bearer Depositary Receipts issued by S. G. Warburg & Co. Ltd. may present Coupon No. 27 for payment forthwith at S. G. Warburg & Co. Ltd. Coupon Department, St. Albans House, Goldenhall Street, London, EC2P 2DL or at Banque Internationale à Luxembourg, 2 Boulevard Royal, Luxembourg, subject to deduction of Japanese Withholding Tax and United Kingdom Income Tax at and at the appropriate rates. Details of tax deduction can be obtained from Paying Agents.
S. G. WARBURG & CO. LTD.
as Depositary.
7th July, 1976.

NEGIT S.A
Société Anonyme
R.C. Luxembourg S no 8639
Head Office: 10a, Boulevard Royal, Luxembourg
Notice is hereby given that an EXTRAORDINARY GENERAL MEETING of Shareholders of NEGIT S.A. will be held at the registered office of the Company in Luxembourg, 10a, Boulevard Royal on Thursday, 22nd July, 1976 at 11.05 hours, for the purpose of considering the following AGENDA
1. To authorise the Directors to increase the Share Capital up to five million U.S. Dollars, for a further period of two years at their discretion.
2. To authorise the Directors to discontinue the publication of quarterly financial reports at 31st March and at 30th September.
The first item of the agenda was submitted to the Annual General Meeting held on 9th March 1976 which could not validly deliberate for lack of a quorum consisting of shareholders representing 50 per cent. of the issued and outstanding capital was not reached. On this item, there is no quorum requirement and the resolution will be carried by 4 majority of two thirds of the votes cast.
On the second item of the agenda, there is no presence requirement and the resolution will be carried by a majority of those present or represented.
The shareholders on record at the date of the meeting are entitled to vote or give proxies. Proxies should arrive at the registered office of the Company not later than twenty-four hours before the meeting.
By order of the Board
J. Barron
Secretary

THE BRITISH STEAM SPECIALITIES GROUP LIMITED
Notice is hereby given that the Ordinary Share Transfer Books will be closed from 17th July 1976 to 29th July 1976 both dates inclusive.
By Order of the Board,
R. D. THOMPSON, Secretary.
20th June 1976.
Fleet Street,
Tec Circle,
Leicester.

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78 rue Olivier de Serres, 75015—Paris

LEGAL NOTICES

No. 002265 of 1976
In the HIGH COURT OF JUSTICE, Chancery Division Companies Court. In the Matter of CLOKDERK LIMITED and in the Matter of The Companies Act, 1948.
NOTICE IS HEREBY GIVEN that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 29th day of June 1976, presented to the said Court by M. A. RAY & SONS LIMITED whose registered office is situate at Station Approach, Ruyl Coulsdon, Surrey, Builders Merchants and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London, WC2A 2LL on the 29th day of July 1976, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.
BRABY & WALLER,
2-3 Hind Court,
Fleet Street,
London, EC4A 3DS
Solicitors for the Petitioner
NOTE.—Any person who intends to appear on the hearing of the said Petition must serve, or, if posted, must be sent by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm, and must be signed by the person or firm, or his or their solicitor (if any), and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 23rd day of July 1976.

No. 002261 of 1976.
In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of ENSLEY SALES LIMITED and in the Matter of The Companies Act, 1948.
NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 1st day of July 1976, presented to the said Court by WEVERIJEN TER LEMBEEK N.V. whose registered office is at B-8761 Wielsbeke, Belgium, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London, WC2A 2LL on the 29th day of July 1976, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing in person or by his Counsel for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.
SILVERMANS
3 Stratford Place
London W1N 9DX.
Solicitors for the Petitioner.
NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on or send by post to the above-named, notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm, and must be signed by the person or firm, or his or their solicitor (if any), and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 23rd day of July 1976.

No. 002231 of 1976
In the HIGH COURT OF JUSTICE, Chancery Division, Companies Court. In the Matter of UNIQUE HALL ORDER COMPANY LIMITED and in the Matter of The Companies Act, 1948.
NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 29th day of June, 1976, presented to the said Court by ARCHIVE PRESS OF KINGSTON LIMITED whose registered office is situate at Newlands Works, Berrylands Road, Surbiton, Surrey, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London, WC2A 2LL on the 29th day of July 1976, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of the hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.
SHARPE PRITCHARD & CO.,
109 Kingsway,
London, W.C.2.
Solicitors for the Petitioner
NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 23rd day of July 1976.

BUSINESS OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

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Price £58,500

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WEST SUSSEX
3 miles Crawley, 25 miles Brighton, 27 miles London
THE WORLD FAMOUS CRABBET PARK EQUITATION CENTRE
Manager's house—modern staff/student residence, three maisonettes and secondary house.
Two indoor schools and lecture room, recreation area and canteen.
Five stable yards. Office block and ancillary buildings. Railed paddocks.
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T.C. 3443.
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14, Brighton Road, Crawley.
Tel.: 0293 23456

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1, Buckingham Palace Road, London SW1W 0QD.
Tel. 01-834 6890.

RESIDENTIAL PROPERTY

For sale by auction unless previously sold.
Sunningdale, Berks
Situated in a Picked Position at this Well Known Residential Area
An attractive freehold house of modern design built about ten years ago in well timbered grounds of about 1 acre.
Hall, 3 reception rooms, cloakroom, kitchen-breakfast room, 5 bedrooms, 3 bathrooms, Laundry room, central heating, double garage. Planning permission for Granny flat extension.
BLAKE & CO.,
4 Albany Court Yard
Piccadilly, W.1
Tel: 01-434 1273

FELPHAM
West Sussex
Two excellent freehold properties for sale by Auction in July, or privately meanwhile. 2 The Crescent. Spacious and detached. Near centre of village and shops and close to Sea. 5 Bedrooms. Bathroom. 27ft. Lounge-Dining Room Study. Cloakroom. Hall; Kitchen Garage. Large Garden. Part central heating. Estoril, 1 West Close, Summerley. Large detached house comprising 6 Bedrooms, 2 Bathrooms, Hall, 3 Reception Rooms, Kitchen-Breakfast Room, 45ft Sun Lounge, Laundry Room, Garage for 3 or 4 cars. Oil Fired Central Heating. Near sea. Auctioneer Philip Barrett, 22-24 Felpham Road, Bognor Regis. Tel. B.R. 5051-3.

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Entertainment Guide

OPERA & BALLET

COLISEUM. 836 3161. Last 2 weeks. NUREYEV FESTIVAL Evgs. 7.30. Mat. Sats. 2.30. NUREYEV AND THE SCOTTISH BALLET

COLLEGIATE THEATRE. 387 9629. BLOOMSBURY SUMMER SHOWS. July 12 for 3 weeks. Evgs. 8.0 Sat. 5.0 & 8.30. (July 13 at 7.0). THE AMAZONS AND THE SACRED FLUTE
20 Dancers, singers & musicians from Brazil.

COVENT GARDEN 240 1066 THE ROYAL OPERA
Tonight, 2nd Sat. 7.30 LA BOHEME (Aragall replaces Carreras tonight) Tomor 7.30 Un ballo in maschera: Mon. 7.30 We Come to the River: Seats available Tomorrow and Sat. THE ROYAL BALLET
Fri. 7.30 Rituals. A Month in the Country. Thais pas de deux. Elite Syncopations: Sat. 2 La Fille mal gardée: Tue. 7.30 Romeo and Juliet. Seats avail. except Fri. 65 Ampbl seats for all perfs. on sale from 10am on day of performance.

GLYNDEBOURNE FESTIVAL OPERA Until Aug. 8 with the London Philharmonic Orchestra. Tonight, Fri. & Sun. & Tue. at 5.30 R. Strauss' Capriccio: Tomor. at 5.10 Mozart's Le nozze di Figaro: Sat. at 5.30 Verdi's Falstaff. Possible returns only. Box Office: Glyndebourne, Lewes (Ringer 812411) & Ibbs & Tillett, 124, Wigmore St. (0-935 1010).

LONDON PALLADIUM. 01-437 7373. Opening Tomorrow opt.f July 28 THE AUSTRALIAN BALLET
in their balletic version of THE MERRY WIDOW
For details see PALLADIUM, under the THEATRE Column.

SADLER'S WELLS TH., Rosebery Ave. EC1. 837 1672. Recorded bkg. inf. 278 5450. UNTIL JULY 17 DANCE SENEGAL
Evs. 7.30. Mat. Sat. 2.30. "Black Magic" D. Mir. "Bags of vitality." D. Exp. "Slickly produced entertainment." Gdn.

THEATRES

ADELPHI THEATRE. 01-836 7611. Evgs. 7.30. Sats. 5.30 & 8.30 Thur. 3.0. "THE NEW IRENE
IS THE HOTTEST GIRL IN TOWN." Daily Mail.
"IT MAKES YOU REMEMBER WHAT MUSICALS ARE FOR." Times.

ALBERY. 836 3878. Evenings at 8.00. Mats. Thurs. 3. Sats. 5 and 8.15 sharp. National Theatre Production COLIN BLAKELY in EQUUS by PETER SHAFFER
Directed by JOHN DEXTER
"STUNNING and COMPELLING." Stand

ALDWYCH. 836 6404. Tel. 836 5332. Royal Shakespeare Company Bernard Shaw's THE DEVIL'S DISCIPLE
Red. price prevs. from tomor. 7.30. In repertoire with Eugene O'Neill's THE ICEMAN COMETH (Next perf. July 22). No performance tonight Box Office 10-6.

AMBASSADORS. 836 1171. Evgs. 8.00. Mats. Tues. 2.30. Sat. 5.30 and 8.30. HAPPY AS A SANDBAG
THE WONDERFUL HIT MUSICAL
"Delightful. Don't miss it." Daily Exp

APOLLO. 01-437 2663. Evenings 8.00. Mat. Thur. 3.0. Sat. 5.30 and 8.30. PAULINE COLLINS, JOHN ALDERTON CONFUSIONS
An entertainment by ALAN AYCKBOURN

ARTS THEATRE. Mon. to Thurs. at 8.30 Friday and Saturday 7.00 and 9.15. TOM STOPPARD'S DIRTY LINEN
"Hilarious . . . see it." Sunday Times.

CAMBRIDGE THEATRE. 01-836 6056 Evenings 8.00. Matinee Wed. 3.00. Sat. 4.30 and 8.00. LIMITED SEASON. JANET SUZMAN, NIGEL DAVENPORT, JUNE RITCHIE, ANGELA DOWN, PETER EYRE, SUSAN ENGEL, JOHN SHRAPNEL, PETER BAYLISS, SEBASTIAN SHAW in JONATHAN ALLEN'S production of THREE SISTERS
"A glorious evening." Irving Wardle, Times. "Simply clearly, absolutely perfect!—a matchless evening from a faultless cast." Jack Tinker, Daily Mail.

CHICHESTER. 0243 86333. Tonight & July 8 at 7.0, July 10 at 2.0 TWELFTH NIGHT. July 9, 10 at 7.0, July 8 at 2.0 NOAH.

COMEDY. 930 2578. Red. price prevs. from July 14 at 8 (July 17 at 8.15). Opens July 21 at 7.00 at GETTING AWAY WITH MURDER by J. Lee Thompson
Up to £1 off preview tickets

CRITERION. 930 3216. Air Cond. Evgs. 8 Mat. Thurs. 3. Sat. 5.30, 8.30 ALEC McCOWEN MICHAEL BRYANT JUDY PARFITT, ANNETTE CROSBIE in THE FAMILY DANCE by Felicity Browne
"An evening of unalloyed delight. It is that rare thing a play for all playgoers." Harold Hobson, Sunday Times.

DRURY LANE. 836 8108. Opens July 22 A CHORUS LINE
"A MUSICAL TO SING ABOUT FOR YEARS" Clive Barnes, New York Times.

DUCHESS. 836 8243. Evenings 8.00 Fri., Sat. 6.15 and 9.00 OH! CALCUTTA!
NOW IN ITS SIXTH YEAR
"Breathtakingly Beautiful." S. Tel. "The Nudity is Stunning." D. Tel.

DUKE OF YORK'S. 01-836 5122. Evs. 8. Saturday 5.15 8.30. Mat. Wed. 2.30. ELIZABETH SEAL, SHEILA STRAFE! "Dances stunningly. It's hilarious." F.T. The 'Funny and Charming.' Gdn.
SALAD DAYS
"The company are as musical as their piano." D. Tel. "Jolly good." D. Mail.

FORTUNE 836 2238. Mon.-Fri. at 8. Sat. 5 & 8. Thur. 3. April ANGERS and Derek BOND in AGATHA CHRISTIE'S MURDER AT THE VICARAGE
SECOND GREAT YEAR!

GARRICK THEATRE. 01-836 4601 Evenings 8. Fri. Sat. 5.30 and 8.30. RICHARD BECKINSALE in "side-splittingly funny" (Daily Mail) in FUNNY PECULIAR
"Mike Stott's exceptionally fine, vastly entertaining brilliant comedy." S. Times. "More good laughs than any other play in London." Observer.

GLOBE THEATRE. 01-437 1592. Evenings 8.0. Sat. 5.30 and 8.30 BARRY HUMPHRIES in HOUSEWIFE SUPERSTAR!!
ONLY 5 MORE PERFORMANCES

GREENWICH. Crooms Hill. S.E.10 858 7755. Until July 31 Evenings 8.00. Mat. Sat. 4.30 STEVEN BERKOFF'S EAST
"TOUR DE FORCE." Guardian

HAYMARKET. 930 8952. Evenings 8.00. Mat. Wed. 2.30. Sat. 5.00 and 8.15. Edward Woodward, Geraldine McEwan, Stephanie Beacham, Geoffrey Palmer in Frederick Lonsdale's ON APPROVAL
"You should rush to see it." Div. Tel. "It got my approval." E. News. "An evening of comic delight." Harold Hobson, Sunday Times.

HER MAJESTY'S. 930 6606. Evs. 8.00. Mat. Wed. 2.30. Sat. 5.45 and 8.30. IPI TOMBI
"Pulsating musical." EN. Seats £3 to 50p

KING'S ROAD THEATRE. 352 7488. Mon. to Th. 9.00. Fri., Sat. 7.30, 9.30. THE ROCKY HORROR SHOW
BEST MUSICAL OF THE YEAR
"Impossible to overpraise." Punch. NOW IN ITS 4th ROCKING YEAR.

LYRIC. 01-437 3686. Evenings 8.0. Mat. Wed. 3.0 Sat. 5.0 and 8.30 JOAN PLOWRIGHT JOHN MOFFAT in THE BED BEFORE YESTERDAY
A Comedy by BEN TRAVERS.
"THE FUNNIEST SEX COMEDY in LONDON." Sunday Telegraph.

LYTTELTON (new National Theatre) 928 2252 Ton't. Tomor. Fri., Mon., Tue 7.45 WEAPONS OF HAPPINESS by Howard Brenton. Sat 7.45 Watch It Come Down: Over 100 excellent £1 seats on sale day of performance from 8.30am. AIR CONDITIONED

MAYFAIR. 629 3036, 493 2031. FULLY AIR-CONDITIONED Mon.-Thur. 8.15. Fri. and Sat. 6.30, 9. NEW AMERICAN REVUE
WHAT'S A NICE COUNTRY LIKE US DOING IN A STATE LIKE THIS?
"FAST, CLEVER, TOPICAL ENTERTAINMENT." Variety. "WHAT A DELIGHTFUL EVENING." Gdn. Times. Seats £3 to 80p. Cmb. Dnr.-Thrtr. £6.80.

MERMAID. 248 7656. Food 248 2835. Preview tonight, tomor. 8.15. Opens Fri. 8.15. Subs. 8.15. Mat. Sat. 5.00 PATRICK CARGILL MOIRA REDMOND, HUGH PADDICK SOME OF MY BEST FRIENDS
ARE HUSBANDS
A new comedy by Hugh Leonard
Restaurant opens at 6 p.m.
July 7, 9, 10, 12 to 17 at 11 p.m. SPIKE MILLIGAN

NATIONAL THEATRE. See under LYTTELTON AND YOUNG VIC

NEW LONDON, Drury Lane. 01-405 0072. FULLY AIR-CONDITIONED
Evgs 8.0. Fri., Sat. 6.0, 8.45. BRIAN PROTHERO in LEAVE HIM TO HEAVEN
"The fun Rock Musical." Evng. News. "Marvellous." S. Times. "Sensation." Mi

OLD VIC. 928 7616. Prevs. Evgs. 8. Opens Mon. 7. Subs. Evgs. at 8. THE WHITE DEVIL

OPEN AIR. Regents Park. 486 2431. ROBERT STEPHENS, EDWARD FOX in OTHELLO. Evgs 7.45. Mat. Wed., Thurs. Sat. 2.30. LOVE'S LABOUR'S LOST Opens July 21, (Sun. 8 p.m. FAIRFORT).

PALACE. 01-437 6834. Mon.-Thurs. 8.00. Fri., Sat. 6.00, 8.40. JESUS CHRIST SUPERSTAR

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FINANCIAL TIMES REPORT
Wednesday July 7 1976

MERSEYSIDE DEVELOPMENT

Insurance Group Headquarters

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. A. N. Brockman
ecture Correspondent

NEW Merseyside head-
s for the Royal Insurance
y in Liverpool has
an added distinction to
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is a peculiar fringe of
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at the role of the archi-
to "change" society. Far
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the last 30 years. Hap-
scene is changing, some-
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and of external appear-

Liverpool example is of
nterest from both these
of view, but as with all
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This fact is not always
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who through their func-
training have learned,
reasonably, to design a
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d to the previous age of
cture which during the
part of the nineteenth
y first chose the style in
it was to design and then
the user into the mould.
exterior appearance of a
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nment is, I submit, of
importance to the con-
ce of its inmates.
building, steel framed
with concrete floors,
up in receding masses faced with greyish-brown concrete panels. The panels consist of a vertically ribbed coarse gravel aggregate which, after three years in position, has weathered consistently. Window openings are surprisingly few, forming an irregular and interesting vertical counterpoint across the several faces of the edifice.

The design contrasts decidedly with the adjoining tower of the Liverpool Daily Post, but surprisingly seems to possess some slight affinity with the nearby monumental Liver building and the great ventilation tower of the Mersey Tunnel; the Liver building dates from the early part of this century and the ventilation tower from 1935. Massing is most effective and, although apparently fortuitously irregular, falls into a definite symmetry in its upper parts when viewed from the landward.

Quality

The 1966 brief from the client was for a building of high quality serving diverse and specialised needs and with flexibility for operational changes in the future. The seven-acre site is shared with the new building for the Liverpol Daily Post on an overall plan providing also for ancillary shopping and office development, new vehicular and pedestrian routes and a municipal car park for 1,100 cars.

The working brief for the interior included, in addition to departmental office areas and their ancillary accommodation, a 200-seat lecture theatre, cinema, printing works, staff training centre, medical centre, gymnasium, dining halls, coffee lounges and a computer centre of 28,000 square feet.

All office floors are open plan.

The form of the building arose from the client's wish to house each major department where possible on a floor of its own. This led to the development on the office floors of the deep open plan, while the need to reduce vertical movement from the entrance hall meant grouping the largest and most densely populated departments at the lower levels: hence the irregular pyramidal form of the building mass. There are 11 storeys above the pedestrian entrance level and five floors below housing servicing facilities and car park.

A concourse with shops serves the main entrance to both the Royal Insurance and Liverpool Daily Post buildings and is linked to foot bridges which form part of the City's master plan separating foot traffic from cars and lorries.

The main office entrance level contains the conference hall and cinema, training department and computer centre. In the level above are the dining rooms, coffee lounges and gymnasium. These two levels are served by escalators in addition to the lifts. The general management suites are in the two topmost storeys, with seven floors of offices in between.

The office floors are all on an open plan. Even the lift lobbies are not shut off from the floor by doors, there is a free passage flow through them from one part of the floor to another. The floors are close carpeted, the carpets being laid on plywood panels which are supported on battens to allow for a grid of telephone and electrical services. Walls of lift lobbies are panelled in vertically ribbed teak and external walls in a most attractive American cherry.

The ceiling treatment is most successful. The aim was to provide a high standard of glare-free illumination with easy access to light fittings, the air conditioning system and other services, combined with the creation of good acoustic conditions. Ceiling lighting troughs therefore comprise deep rectangular compartments which have the effect of breaking down an otherwise monotonous ceiling area.

The shell of the building was designed for insulation against changes in the outside temperature. Windows were consequently kept to a minimum which accounts for their unusually important place in the pattern of the exterior. They are narrow and of full floor height with wide splayed reveals giving the impression of greater size. Their height enables them to be seen from a distance across desk tops and filing cabinets.

An exception to the high and narrow windows occurs in the coffee areas on each office floor where a larger "picture" window is provided framing the fine views across the Mersey and towards the Welsh mountains.

Most of the heat requirement is represented as a by-product of the occupation. Heat from the lighting system and the computer complex is drawn off through lighting fittings into the return air duct of the air-conditioning system, then conveyed to large condensers where the excess heat is either dissipated by cooling water, or stored for re-use as domestic hot water.

The cooling water is drawn from the water that continually filters through the walls of the Mersey Rail Tunnel and which formerly was pumped straight back into the Mersey.

The total energy requirement of the building is enormous. In the event of a major power failure in the Merseyside electrical network, however, reserve generators would come into operation.

These would generate sufficient power to maintain mechanical air movement and emergency lighting throughout the building and to ensure that particularly vulnerable areas of operation, such as the computer complex, would continue to function.

That the high quality asked for by the client has been achieved is evident in every part of this handsome building.

DESIGN AND CONSTRUCTION

Architects:
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Structural Engineers:
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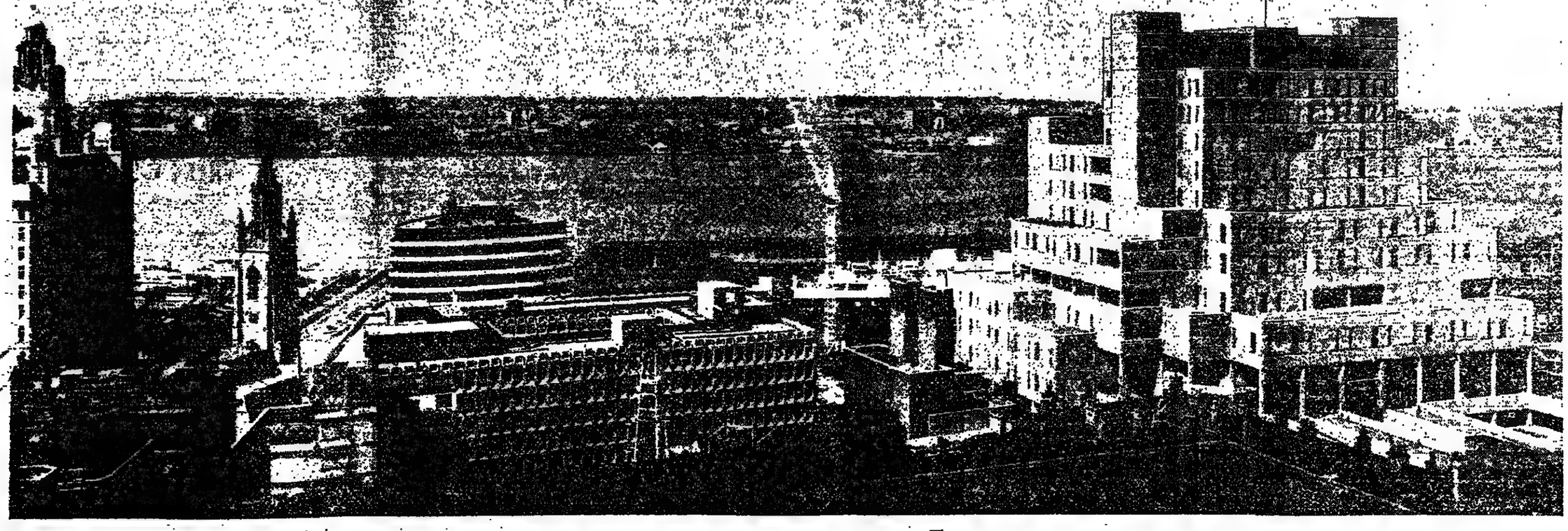

New Hall Place in Old Hall Street, Liverpool, is the new U.K. Head Office of Royal Insurance.

It is one of the most modern office structures in Europe, 266ft. and 17 storeys tall, with over half a million square feet of open floor working space, including a 28,000 square feet computer complex in continual direct communication with Branches countrywide.

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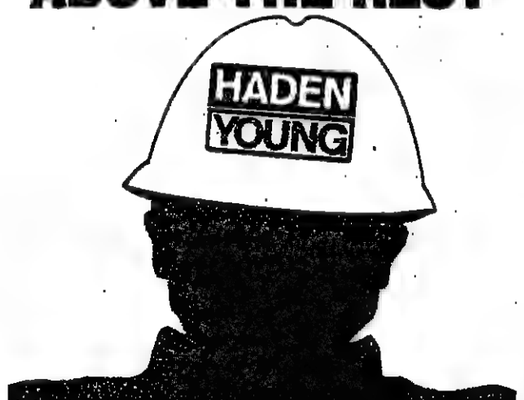

Haden Young, joint main contractors with Tysons (Contractors) Limited, are proud to have been associated with the provision of M & E services at the Royal Insurance's new UK headquarters, Liverpool. Haden Young, incidentally, are the largest and most experienced building, industrial process engineering services company in Europe.

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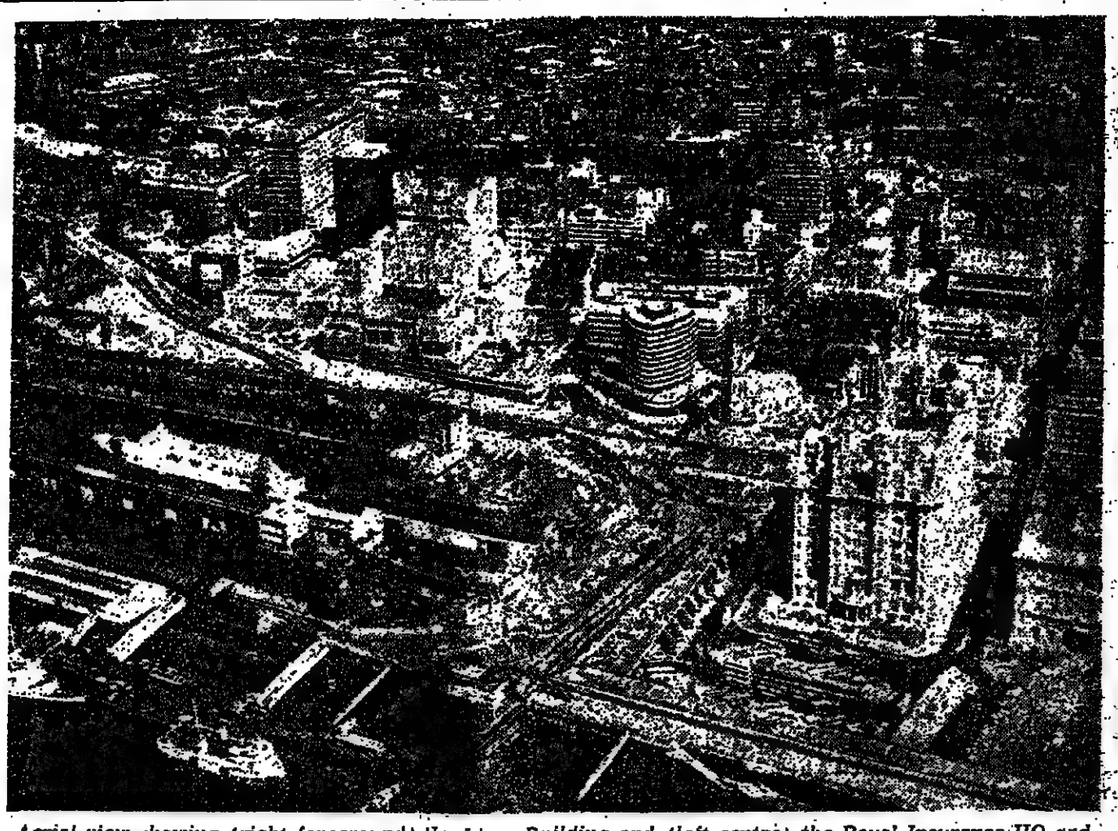
MERSEYSIDE DEVELOPMENT II



Aerial view showing (right foreground) the Liver Building and (left centre) the Royal Insurance HQ and its neighbour the Liverpool Daily Post and Echo. (Photo: John Mills Photography Ltd.).

Virtues of office design to order

SPECULATIVE office development has rightly been blamed for some of the worst architecture Britain has produced since the war. It is quite possible to produce handsome exteriors without knowing who will tenant a building, and it is sometimes possible to produce a working environment within which will serve the needs of a particular business. Too often, though, the lowest common denominator approach of developers has produced offensive exteriors and working conditions within which have rapidly deteriorated and lacked flexibility.

In the last decade, whatever other abuse has been heaped on their heads, some speculative developers have made genuine efforts to improve the quality of their product. In part, this is because tenants have begun to show that, apart from the boom periods of acute shortage of space, they are prepared to discriminate and, with a growing sophistication of clerical work systems, are prepared to pay premium rents for intelligently shaped interiors. In part, the improvements stem from institutions adopting more rigorous investment criteria. In part, the improvements stemmed from the odd developer who, expecting anyway to make large profits, was prepared to sacrifice something financially in order to own something he was proud of.

But the British habit of leasing rather than owning buildings, coupled with the unusually dominant powers which landlords have built up in the length and conditions of tenancies, mean that the problems will remain. For the most part it is only the largest and wealthiest industrial or commercial groups which design and build offices to their own requirements and even then they are likely to regard the capital tied up in such projects as better used for their direct business, so that they pass the buildings on to institutions in sale and leaseback deals.

Swinging

It is possible, at present, that because of a lowering in property values and because of increased worries about the inflationary trend of rates as well as rents in the long term, that the balance is swinging back slightly towards owner occupation. But it would represent a major shift in financial thinking if this were to last long. British business is likely to remain a rent paying community. To take the most officed area of the country, the City of London, about 85 per cent. of its 50m. square feet of offices is subject to tenancies.

The major exceptions to the rule come where the business itself is an investing institution. The prime example is the insurance industry and Britain is littered with monuments to a spirit of designing buildings for the companies' and societies' own use, for their own advertisement, and to provide the assets which back the policies they sell.

The life companies and the composites have played their part in this and, although from the earliest days the insurers must have had a more finely developed sense of caution and of sound property finance than most clients, they also appear to have had a greater sense of patronage. There is a style about the major insurance office buildings, whether one likes the treatment or not, which is seldom found in a speculative development. The supposed primness and conformity of insurance chiefs has often been belied by the grandeur which they encouraged their architects to effect.

To-day, the more Gothic follies of previous generations, or whatever their modern equivalent might be, are out of tune with both the motivation and method of modern business. Proportion, not decoration, is the architectural key (to be appreciated in the view of this building from across the Mersey, or as its pyramid builds up massively above Rumford Place). And these proportions are directly governed by the use of the building.

What the Royal needed when it decided on this new headquarters building in the mid-1960s was an administrative centre of a world business which operates in 85 countries, employs more than 22,000 people and writes policies in 17 different languages. It is a communications and management centre and from very early on the scheme the administrative structure of the company began to influence the shape the buildings had to take.

If administrative needs were likely to remain static, it might have developed as a very different structure. But insurance, as much as any commercial exercise, mirrors society, and society has a habit of changing faster than any forward planning can allow for. The Royal's share of the word's marine insurance market might radically change in a few years in comparison with its aviation or its motor business. Its life and pensions side might be dramatically altered by government legislation. Overall growth, or the balance of growth between one department and another is not something that can be forecast a decade ahead, and it is only a little easier to forecast what changes in business systems, which entirely alter space requirements, will take place in the same period.

The flexibility which natural daylight allows in office design is limited. When it comes to an administrative complex as large as this, in which individual departments may employ several hundred people, that limitation becomes crucial. Flexibility to allow expansion and contraction of different work groups, and at the same time the need for large departments with ease of communication, are requirements it is hard to match by natural daylight which provides adequate light only 15 feet or 20 feet into a building if the highest standards are being imposed.

To meet acceptable levels in most multi-storey office blocks built since the war, a relationship between room depth, window size and ceiling height was established. The cheap capital cost of external finishes and the maximising of room depths led to larger glazed areas to achieve the right amount of daylight. The results have too often been a low level of thermal insulation in winter and too much solar heat gain in summer. Glare and sunlight are other complaints and over much of the rest of the year natural daylight is of a low quality.

Apparent

One can quickly appreciate how the administrative needs of large flexible areas of space do not marry with a reliance on natural sunlight and in this building, from a very early stage in the project, the need for a "deep open plan" system became apparent, linked with the ability to create a controlled environment.

What the ingenuity of the architects and the most modern technology have created is a building whose "stepped pyramid of irregular profile" mirrors the administrative structure of headquarters' staff.

Thus the design of the main phase of the building is based on the broad organisational pattern, that is management, administration, underwriting and servicing. Those areas which form the services for the predominantly office areas, such as archival filing, car parking, stationery storage and maintenance, are sited at lower levels close to service access and where heavy loadings are more easily accommodated.

The largest and most heavily populated office floors—life, management services, underwriting and marketing—are grouped in such a way that the vertical circulation is kept to a minimum. General management, on the other hand, with relatively small floor area requirements, is placed nearer the top of the building; and administration departments likely to have most day-to-day contact with management are placed immediately below. Dining and recreational facilities requiring larger floor areas and with a large movement of staff, are placed close to service and access.

In working, over the last ten years, to see just what its space requirements were, and in allowing for the fact that they are constantly changing in pattern, the Royal has probably learned a great deal about itself. Those involved say that asking basic questions about space requirements, and querying stems which have grown up over the years and may have been influenced by particular physical confines, has been like a spring clean for the mind. The ambition of those responsible, to improve working conditions and efficiency, will now have to maintain, for the very purpose of designing a building like this is that processes can be continually changed and that within the inflexible shell of the structure, there is continuing flexibility in the use of its interior.

This is the challenge which modern architects try to solve and which office administrators, if they are lucky enough to have a suitable building, continue to grapple with. The resources of the Royal, in a long tradition of insurance companies encouraging thoughtful and ambitious architecture, have been thrown behind a scheme which will doubtless provide many lessons for the future if we are to succeed in allying the complexities of modern business methods with better working conditions for staff. It is only when such a project is tackled from the start by the people who will inhabit the building that the best results can be obtained.

Quentin Guirdham
Property Correspondent

View showing the very tidy and well-knit concrete panelling and the interesting window pattern.

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MERSEYSIDE DEVELOPMENT III

Old Hall Street in new guise

INSURANCE started s writing fire and life ce in 1 Old Hall Street, ol in 1845. Princess dra goes to almost ne spot to-day to open ew headquarters of a with total assets of one of the largest com- insurance groups in the and one of Britain's 20 commercial and indust- anisations.

a happy time for this arters project involving le of planning, building ling to produce a pur- signed complex for 1,700 to reach fruition. As l group (80 per cent. of mium income is from s) the Royal is climbing fter the United States. oyal's most important suffered its black year. urance in 1974. The underwriting loss there 7m., its total underwrit- £40m. and profits after pped to £10.4m. But e insurer's nadir of in- pay-outs and dipping alues the Royal has re- l rather better than most groups, significantly han the only U.K. group arger premium income, mmercial Union.

blems

uld be convenient to say iverpool, the city with this building reaffirms oyal's tie was showing ly positive recovery. Merseyside's major role U.K. car industry and e long-term difficulties of ks, the area was bound er cruelly in the reces- The extent to which un- ment, especially youth loyment, has worsened problems is evident

Three points can be made which may reflect on the future: the social problems are being recognised as major and tackled with greater determination; the docks, operating on a scale reduced from the great days, have now started to pick up rather than lose trade; and the strengths of Liverpool as a commercial centre are perhaps appreciated more than ever now as management decisions on the location of offices take greater account of costs, labour resources and government encouragement.

That the new Royal Insurance headquarters is back near Old Hall Street is a result of chance rather than sentiment. The old warehouses round the area (actually the original No. 1 was not quite on the present site) represented the only available space large enough, and in a suitable location, for a project which was to be big enough to take in staff who had spilled out into 11 different Liverpool offices.

The main administrative centres of the group have usually been in Liverpool throughout its history, which is natural enough since beside the Royal connection, the major merger's in the company's history have been with the Liverpool London and Globe in 1919 and with the London and Lancashire in 1961. But the new headquarters has also meant some centralising of activities, such as records offices coming back from Cheltenham and from London, and all the head office activities have now moved back from London to Liverpool. The twin Board of Directors system, however remains. Liverpool's used to be the senior Board with London in a secondary role. Then, mainly because of the number of non-executive directors which is customary on insurance group Boards, the London one became senior. That position remains.

Having found a site big enough to accommodate all the Liverpool office functions (bar that of the Liverpool Branch which remains in North John Street) and to centralise these new ones, the Royal was actually dealing with an area rather larger than its own needs demanded and the site was developed in conjunction with the Liverpool Daily Post and Echo following the granting of outline planning permission in 1967. The freeholds are, however, quite separate.

Building began in 1970 and the topping out came in 1973. At present about 1,000 of the 1,700 staff who will work in the building have moved into New Hall Place.

Escalated

Over such a period costs have inevitably escalated to something over £15m. That should not depress those responsible for the decision to build unduly, for the arithmetic which underlined their thinking has if anything gone even more in Liverpool's favour over the intervening period. Prime cost sites were perhaps some 40 times greater in London than Liverpool. Building costs have escalated faster in the capital. And while London's communications and transport have probably declined over the last decade, Liverpool's has improved, while staff recruitment is unquestionably easier and cheaper. In terms of general timing, to start the whole project to-day in Liverpool would double costs.

Where the precise location in Liverpool has been proved a suitable choice is understood easily enough by walking north from Castle Street. The commercial centre of the city has moved in this direction, with the major proportion of modern office accommodation now found there. Among the significant new developments or refurbishments are Richmond House (where J. Bibby is headquartered), Littlewoods' JM Centre, the Tithebarn Street blocks, the Atlantic Tower Hotel, Silk House Court, Exchange Buildings and the Cotton Exchange.

Apart from the short-term tenancies which the Royal has taken in Liverpool to tide it over while the headquarters was planned and built, it will be vacating three familiar offices. A refurbished Queens Insurance Buildings will be offered on the letting market; 1 Dale Street, the old Liverpool London and Globe headquarters, will be either refurbished or sold; and the former London and Lancashire headquarters, 45 Dale Street, is being sold to Liverpool Corporation.

The scale of the new headquarters of course dwarfs all these. It also represents a quite different philosophy of architecture, one which starts with the needs of the people who work there and uses the structure of the building as an envelope to enclose a controlled and highly flexible environment within. The height, however, with the pyramid rising 290 feet, has been kept in proportion with that of the other imposing buildings which stretch back from the Mersey. The Royal, long very much a part of Liverpool's commercial life and one of Britain's key international groups, has returned in style to the place where it started.

Q.G.

Working environment

pting for an headquarters controlled internal en- ent, substituting condi- of equable temperature, ty, lighting and sound through a building which tely rejects external heric conditions, the Insurance is in a pioneer- d. This is the step beyond ly air-conditioned build- one relatively recently ed. There is also a ing element in the very pen floors of these offices. e human factors in- ng such layouts are still unchartered territory. The ng involved on the human s well as the many struc- innovations, are impres-

consulting engineers have d for full air condition- lising thermal recovery les. Physical heat is one by-products of office and here more than is given off by com- and other office ery, by the artificial g and by the building's occupants to provide a ature of 70 degrees F hout the year. In practice al need is to keep the g cool, for the thermal is such that the building will heat itself with an external temperature just below freezing.

To re-distribute the heat there is a fully ducted flow and return air system which, in addition to re-circulating air from within the building, draws in fresh air from outside. The surplus heat being rejected is subject to a novel cooling process which involves using seepage water from the Mersey Rail Tunnel as a coolant to absorb the excess heat generated in the refrigeration condensers. The Mersey water used was previously pumped back into the river as waste at a rate of 3,000 gallons a minute.

The highly elaborate heat exchange system and the many miles of pipes and ducts, the many fans and motors, air handling plants, sensors and heating batteries, are all scanned on an electronic data monitoring system at the heart of the building.

The building's controller can check temperatures and humidity in any area. The control system can be programmed to start up or close down plant automatically to take into account the inside and outside temperatures, switch lighting on or off and reduce it for periods of cleansing and maintenance. Perhaps more important, the system constantly monitors the security of the building and its safety.

The safety factors include, for fire, wet and dry type pre-act sprinkler systems and gas flooding systems in the computer suites, with smoke detectors in the open offices.

It is the very openness of the offices through the Building's floor area of over 500,000 sq ft which has perhaps given the working staff most pause for thought. Deep open planning is, for many, the start of a quite new experience. It has also, of course, been the subject of long discussion among the planners of the headquarters project, indeed the necessity for the flexibility which such floor areas allowed; plus regular contact between staffs of large departments was central to the basic design principles of the building.

Work flow patterns, individual space needs, environmental requirements and service facilities had to be integrated and translated into departmental sizes and floor areas. But within such requirements, the difficulty is to create adequate privacy.

The use of subjective space and a work station concept have produced something which the planners hope combines both the advantages of open plan in terms of better environment and better communications with colleagues, and yet has not lost the privacy necessary for ease of mind and for concentration.

What makes this possible is, beside the informality to allow for indivdual needs, the provision of really attractive, though integrated, systems of screens, carpets, plans etc., coupled with similarly integrated but flexible furniture.

This is expensive, normally well outstripping equivalent costs in a conventional office. But then it has to be looked at against the costs of engineering the periodic changes which any conventional office has to go through as its users' needs change—the partitioning and electrical and mechanical works often involved, almost all of them removed in an open plan concept.

Perhaps more basically, such costs have to be weighed against the whole point of trying to design the optimum building for a particular organisation. The final product should be an environment which improves efficiency, with its occupants achieving maximum output with minimum personal stress. Against the cost of the wages of those occupants, and the possible gains in efficiency, the costs of fairly luxury fittings become, if the scheme has been a success, almost irrelevant.

Within a building where windows are not used for light, but only to maintain a visual link with the outside world, that link is maintained by circulation paths around the perimeter of each floor providing access to the full height windows and their views across the city and the river. To provide a change from the workspaces, each floor contains amenity areas for rest and for refreshment and in these areas contrasting colours are used.

Among the many intersting engineering concepts included are the system of escalator access to the largest floors in addition to the central lift core; a telecommunications system connected to the group's branches; a centralised dictation system; and a system of background masking noise called "white sound" which can be adjusted to meet varying degrees of confidentiality.

Much of detail of the interior will doubtless change over the life of this building. The point of creating a deep open plan system within a controlled environment is largely to allow for changing needs and changing systems of work. But as of to-day, once any teething troubles are ironed out, it represents one of the country's most imaginative, as well as largest, attempts to improve conditions for office workers.

Q.G.

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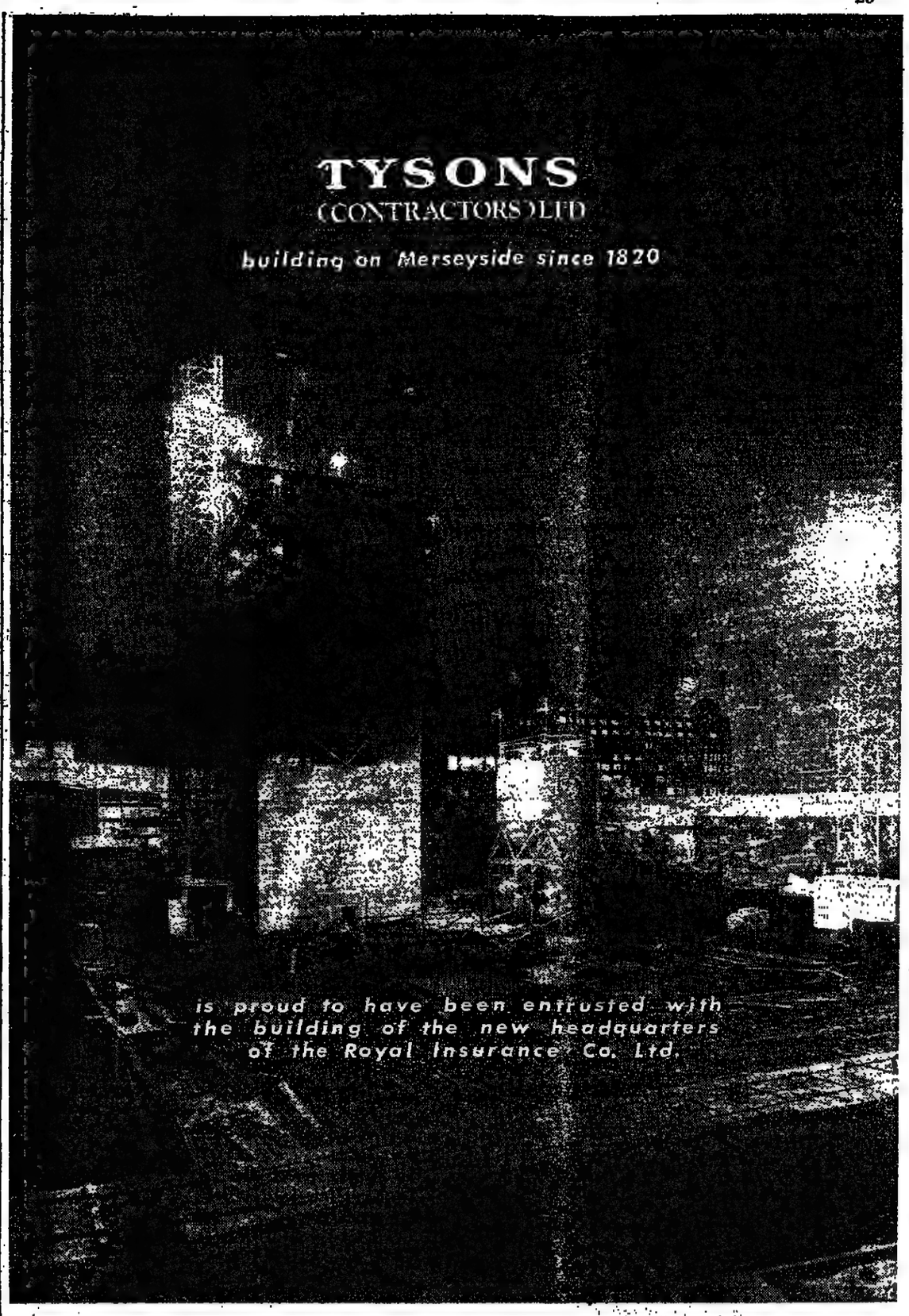

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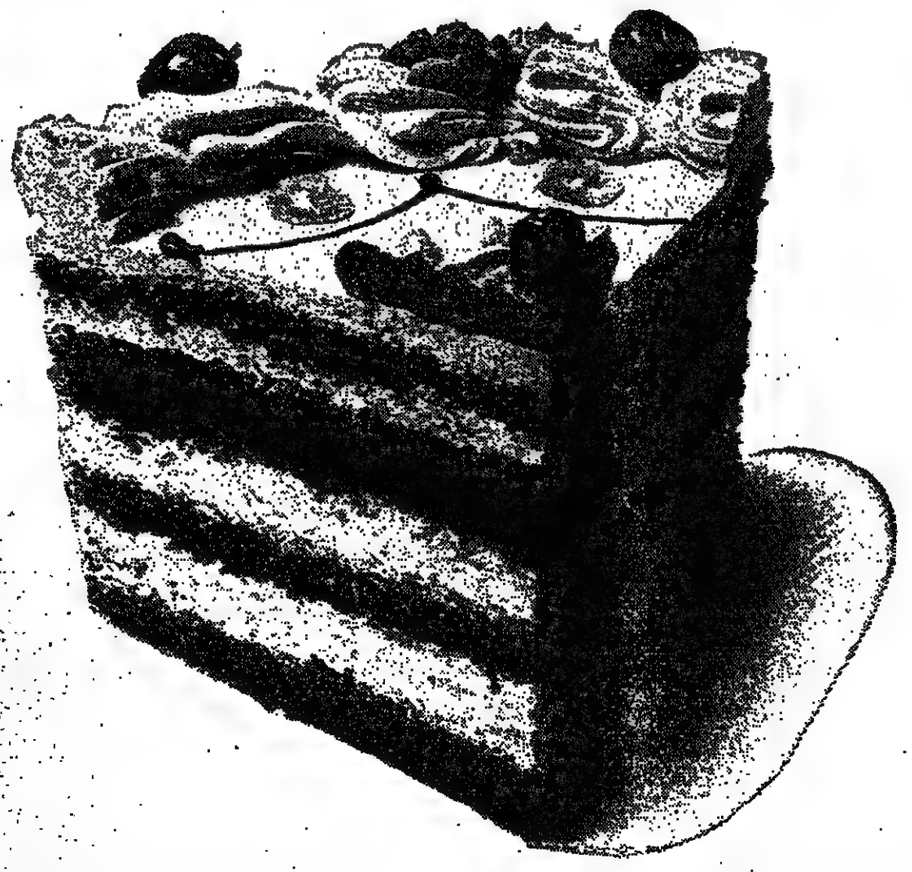

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WALL STREET + OVERSEAS MARKETS + FOREIGN EXCHANGES

No consolidation of early gains

BY OUR WALL STREET CORRESPONDENT

STOCKS, higher in the morning, turned mixed at midsession. Advancing issues held a six-to-five lead over declines, but most popular averages were in slow retreat.

At 1 p.m. the Dow Jones Industrial Average was down 3.03 at 996.81 and the NYSE All Common index had lost 8 cents to $L.49. Turnover was about 8m. shares.

Some analysts said the market appeared to be in a "holding pattern," perhaps awaiting initial samplings of first-quarter corporate earnings which could come late this week.

Closing prices and market reports were not available for this edition.

Natomas fell $2⅞ to $26⅞ among the Oils, but Superior Oil rose $4 to $185, and Mesa Petroleum was $1¼ higher at $29⅞.

Asarco Inc., a volume leader, gained $1¼ to $19¼.

Procter and Gamble picked up $1¼ to $97, with Pillsbury ahead a point at $39.

Ford Motor fell $1⅞ to $55⅞ despite higher late-June sales of new automobiles.

General Motors and Chrysler surrendered fractions, although they also came in with improved car sales for the June period.

National Semiconductor slipped $1¼ to $43⅞. A published report indicated the company's earnings for the year ended May 31 would be disappointing.

Motorola lost $1⅞ to $55¼, while Georgia-Pacific lost $1¼ to $49⅞. But heavily traded Lockheed Aircraft gained $⅞ to $11¼.

The American SE Market Value index climbed 0.25 to 105.42 at mid-day, as prices advanced in moderate trading.

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Dow Chem.	420,900	46½	+1½
Simp. Pat.	297,400	13⅞	—
Polaroid	230,900	40⅞	+ ⅞
Am. Tel. Tel.	193,900	57½	+ ¼
Gulf Oil	154,900	27⅞	+ ¼
Wn. Bancorp.	147,700	25	+ ½
Am. Home Pd.	145,300	34⅞	+ ½
Cst. St. Gas	140,400	11⅞	+ ⅜
Pac. Gas El.	138,000	29⅞	+ ¼
Xerox Cp.	133,400	62	+1
Anaconda	130,900	29⅞	−3¼
Texaco	110,400	27⅞	− ¼
Middle S. Ut.	106,900	14⅞	—
Sony Corp.	106,800	9⅞	+ ¼
Times Mirror	106,200	29⅞	+ ⅜

OTHER MARKETS

Canada mixed

Canadian stock markets were mixed in light to moderate trading yesterday at mid-day.

Industrials moved 0.18 higher to 187.13, Base Metals 0.32 to 91.56, Utilities 0.36 to 141.91, Banks 1.60 to 231.96 and Papers 0.02 to 119.16. But Golds fell 0.31 to 274.03 and Western Oils were 0.54 down at 231.84.

In Banks Canadian Imperial was $¼ up at $25 and Bank of Montreal ahead $¼ at $15⅞.

PARIS—Steady to mixed in very quiet trading with Banks, other Financials, Foods, Stores and Metals steady.

Most other sectors were mixed. Oils gained and Constructions lost ground.

In the foreign sector Americans, Coppers and Golds weakened, Oils were mixed and BASF led Germans slightly higher.

BRUSSELS—Closed mixed to higher after continued calm trading.

Gains predominated among Non-Ferrous Metals where Union Miniere put on B.Frs.22 to B.Frs.1,172, Asturienne was up B.Frs.38 to B.Frs.1,398 and Vieille Montagne rose B.Frs.15 to B.Frs.4,100, while Hoboken fell B.Frs.20 to B.Frs.3,945. In Mixed Steels, Cockerill gained B.Frs.8 to B.Frs.814 and Arbed declined B.Frs.15 to B.Frs.4,035.

Chemicals finished narrowly mixed. Oils firmed with Petrofina up B.Frs.40 to B.Frs.5,120. In generally steady Holdings, Societe Generale gave up B.Frs.25 to B.Frs.2,425. Stores eased.

U.S. shares finished narrowly mixed and South African Golds were irregular. Dutch, French and German shares all firmed a little.

AMSTERDAM—Closed firmer in dull trading on lack of company news and following Wall Street closure. Dutch Internationals were firmer with the exception of Akzo which eased.

Elsewhere, Plantations and most Transportations firmed. Industrials and Trading shares were unchanged to firmer. Banks and Insurances were mixed.

State loans continued to fall although lower yielding local authority issues were well maintained.

COPENHAGEN—The market closed generally higher in very active dealings.

GERMANY—Prices were mostly higher at the close.

Deutsche Bank was a leading gainer, tacking on DM0.90 to close at 284.20. Other banks also gained. Commerzbank was up DM1.50 to 182.50 and Dresdner up DM1 to 207.

Electricals advanced. AEG was up DM2 to 88, and Siemens was up DM1.90 to 236.80. Chemicals firmed. BASF rose DM1.50 to 161.80, Bayer DM1.20 to 131 and Hoechst DM1 to 149.50.

VW registered a sharp gain, advancing DM7.70 to 132.70. Other Autos also gained. Daimler added DM3 to 349 and BMW was up DM1.30 to 241.30. Machine-makers were mostly higher by about DM2. Stores firmed.

In the fixed interest securities market, prices for domestic public sector bonds continued to decline, falling about 0.60 percentage points.

OSLO—Banking, Industrials, Insurances and Shipping were all quiet.

VIENNA—The market closed slightly higher in generally quiet trading.

ZURICH—Shares moved slightly higher in selectively active dealings.

Banks were mixed, with Bank Corporation up S.Frs.3 at S.Frs.445, and Union Bank and Credit Bank losing S.Frs.10 each to S.Frs.2,740 respectively. Arms and Machine-maker Buehrle was off S.Frs.3 at S.Frs.1,815.

In Pharmaceuticals, Sandoz rose S.Frs.25 to S.Frs.5,250 while Ciba-Geigy Bearer shares fell S.Frs.15 to S.Frs.1,345.

Nestle rose S.Frs.5 to S.Frs.3,495 and Motor Columbus added S.Frs.10 to S.Frs.930.

MILAN—Closed mixed in regular dealings after a very active opening.

Industrial leaders were generally higher although Pirelli Spa was marginally lower and Fiat, Olivetti Privileged and Snia Viscosa were unchanged. Assicurazioni Generali lost ground in Insurances as did Mediobanca in Banks while financials were all firmer.

Bonds were selectively higher in regular trading.

HONG KONG—Prices closed unchanged to slightly lower on profit-taking in fairly active trading after holding firm for most of the day.

Continued good business in Jardine Matheson was due in part to overseas buying interest. Jardines closed 10 cents down at $HK21.90.

TOKYO—Closed mixed after firming initially, as investors became cautious towards high price levels.

Electricals, Motors and some other Blue Chips closed easy on liquidations.

Sony, TDK Electronics, Toyota Motor, Honda Motor, Fuji Photo Film and Hejwa Real Estate lost ground.

Textiles, Chemicals, Nonferrous Metals and Steels were generally higher in view of a recovery in domestic commodity markets, and Petroleums also firmed, reflecting the yen's rise against the dollar.

JOHANNESBURG—Gold shares were quiet on general lack of interest.

Prices were narrowly mixed. Financial Minings were firmer in line with higher Metals. Collieries were firm and actively traded but towards the close, profit-taking pushed some prices down.

Metals were firm on local and overseas buying interest. Platinums were firmer. The Industrial market was firm.

AUSTRALIA—Closed generally higher, with coal and sugar stocks continuing to advance.

BHP rose 6 cents to $A3.18, Bank of New South Wales 4 cents to $A5.90 and CSR 5 cents to $A4.93 on its annual report. Bundaberg Sugar also rose.

Among Coals, Oakbridge advanced but Utah lost 6 cents to $A3.90.

In Stores, Coles rose 1 cent, and banks were also higher, with CBA up 5 cents to $A2.80.

NEW YORK, July 6

Indices

NEW YORK—DOW JONES

	July 2	July 1	June 30	June 29	June 28	June 26	1976 High	1976 Low	Since compilation High	Since compilation Low
Industrials	999.94	994.84	992.78	990.65	997.59	999.84	1,011.02 (1/4)	855.71 (2/1)	1051.70 (11/17/73)	41.22 (6/7/32)
Home Bonds	72.67	72.88	72.88	72.96	72.88	72.78	73.60 (22/4)	69.11 (2/1)	—	—
Transport	224.28	225.75	224.77	222.43	221.45	222.21	222.21 (26/6)	175.69 (3/1)	279.88 (2/2/69)	16.35 (6/7/32)
Utilities	89.54	87.74	87.88	87.55	87.52	87.32	91.50 (4/2)	84.88 (26/5)	165.32 (20/4/65)	10.56 (26/4/42)
Trading vol 000's	18,780	21,180	23,850	18,820	17,480	17,830	—	—	—	—

	June 18	June 11	June 4	Year ago (approx)
Ind. div. yield %	5.79	5.88	5.94	4.69

STANDARD AND POORS

	July 2	July 1	June 30	June 29	June 28	June 26	1976 High	1976 Low	Since compilat'n High	Since compilat'n Low
*Industrials	117.50	116.10	117.58	116.92	117.49	118.76	118.67 (24/5)	101.84 (2/1)	144.64 (11/1/73)	5.52 (30/6/32)
†Composite	104.58	104.98	104.26	105.88	104.85	105.72	105.86 (29/6)	90.30 (2/1)	120.24 (11/1/73)	4.40 (1/6/32)

	July 1	June 17	June 9	Year ago (approx.)
Ind. div. yield %	5.34	5.41	5.53	5.75
Ind. P/E Ratio	12.62	12.65	12.22	11.09
Long Govt. Bond yield	5.68	5.69	5.72	5.71

N.Y. S.E. ALL COMMON

	July 2	July 1	June 30	June 29	1976 High	1976 Low
	55.57	55.51	55.71	55.46	55.71 (30/6/76)	47.90 (2/1/76)

Rises and Falls July 2: Issues Traded 1,249 Up 881 Down 357 Same 511 New Highs 47 New Lows 9

	July 5	July 2	July 1	June 30	1976 High	1976 Low
MONTREAL Industrial	187.74	187.98	—	186.63	187.98 (2/7)	176.08 (2/1)
MONTREAL Combined	190.27	190.52	—	189.28	190.78 (2/7)	178.67 (2/1)
TORONTO Industrial	188.97	188.78	—	187.46	187.46 (6/7)	176.91 (2/1)
JOHANNESBURG Gold	171.8	170.6	171.8	170.2	185.7 (12/4)	171.8 (6/7)
JOHANNESBURG Industrials	298.4	295.9	292.9	292.6	298.4 (6/7)	292.6 (30/6)

	July 6	Previous	1976 High	1976 Low
Australia (a)	477.95	477.97	477.97 (6/7)	446.52 (2/1)
Belgium (b)	100.71	100.49	115.15 (6/2)	97.80 (2/6)
Denmark (c)	110.90	111.70	112.92 (2/6)	100.20 (10/5)
France (d)	85.4	85.7	74.5 (3/5)	85.1 (18/6)
Germany (e)	751.7	762.2	821.7 (17/5)	735.0 (25/6)
Holland (f)	91.1	90.7	105.5 (5/2)	88.8 (29/6)
Hongkong (g)	422.06	422.86	465.26 (17/6)	364.56 (2/1)
Italy (h)	—	85.11	91.37 (22/6)	78.30 (4/6)
Japan (i)	356.74	356.70	357.90 (30/6)	285.28 (5/1)
Singapore (n)	256.84	256.77	256.16 (5/6)	228.50 (2/1)
Spain (p)	98.06	98.06	101.79 (1/6)	86.46 (1/4)
Sweden (q)	467.09	466.99	476.86 (10/6)	388.46 (19/1)
Switz'rl'd (r)	290.5	290.1	298.6 (12/6)	275.3 (4/6)

Indices and base dates: full base values can be given in NYSE All Common 50, and Standard & Poors 100: (a) Sydney All Ord. (b) Belgian SE 31/12/63. (d) Copenhagen SE 1/1/73. (e) Paris Bourse 1961. (f) Commerzbank December, 1952. (g) Amsterdam Industrial 1958. (h) Hong Kong Bank 31/7/64. (k) Milan 2/1/75. (m) Tokyo New SE 4/1/68. (n) Straits Times 1966. (p) Madrid SE 31/12/76. (q) Stockholm Industrials 1/1/58. (r) Swiss Bank Corp. 31/12/58. (u) Unavailable. ‡ Excluding bonds. * 425 Industrials. 25 Inds. 38 Utilities and 25 Rails. (c) Closed.

OVERSEAS SHARE INFORMATION

NEW YORK

Stock	July 2	July 1
Abbot Labs	45	44⅝
Addressograph	9¼	9¼
Aetna Life & Cas.	28⅞	28⅞
Air Products	74½	73⅞
Airco	31¾	32⅞
Alcoa Aluminium	26¼	26¼
Alcoa	54¾	55⅛
Allegheny Ludlm.	40¼	40⅛
Allegheny Power	17⅞	17⅞
Allied Chemical	37	36⅞
Allied Stores	48⅞	49⅛
Allis Chalmers	23¾	23¼
Amax	58	58⅛
Amerada Hess	22⅞	22⅞
Amer. Airlines	13⅞	13⅞
Amer. Brands	38⅞	38½
Amer. Broadcast	36⅛	36¼
Amer. Can	34⅛	34⅛
Amer. Cyanamid	25⅛	25⅛
Amer. Elec. Power	22	21⅞
American Express	57¾	57⅞
Amer. Home Prod	54¾	54
Amer. Medical	9	8⅞
Amer. Motors	4⅞	4¾
Amer. Nat. Gas	36¼	36⅛
Amer. Standard	23⅞	24¼
American Stores	30¼	30
Amer. Tel. & Tel.	57⅛	56⅞
AMF	20⅛	20¼
Ampex	8⅛	8⅛
Amsouth	26¼	26⅛
Anchor Hocking	30⅛	30¼
Anheuser Busch	30¼	30
Armco Steel	32¼	32¾
A.S.A.	41⅞	21⅛
Asamera Oil	13¼	14
Asarco	18	18⅞
Ashland Oil	28⅛	28¼
Atl. Richfield	104	103¾
AVCO	12	12
Avon	14¼	14⅛
Avco	10½	10
Avon Products	47¾	47⅛
Bait. Gas Elect	23⅞	23½
Bank America	56½	55¾
Bankers Tr. N.Y.	35¼	35¾
Barber Oil	28⅛	28⅞
Beatrice Foods	25⅛	25
Becton Dickinson	37⅞	37⅛
Bell & Howell	19⅞	20¼
Bendix	42½	41¾
Benguet Corp "B"	1⅞	2
Bethlehem Steel	44	44¼
Black & Decker	24½	24⅛
Boeing	40⅛	40⅛
Boise Cascade	25⅞	25¾
Borden	31½	30⅞
Borg Warner	27⅛	27⅞
Braniff Int.	12¾	12¾
Brascan "A"	10⅛	10⅛
Bristol Myers	77¾	78⅛
Brit. Pet ADR	10⅞	10⅛
Brockway Glass	25⅛	25½
Brunswick	16¾	16¾
Bucyrus Erie	30	29¾
Budd	18⅞	18⅛
Bulova Watch	8	8
Burlington Nthn	46¼	45½
Burroughs	103⅛	102⅞
Calif Computer	5⅛	5¾
Campbell Soup	32¼	31⅞
Canadian Pacific	18¼	18¼
Canal Randolph	8¼	8⅛
Carnation	74¼	74
Carrier & General	15¾	15⅞
Carter Hawley	20	19¾
Caterpillar Tractor	90½	90¼
CBS	58⅛	58½
Celanese Corpn	49½	48½
Central & S.W.	14⅞	14⅝
Certain-Teed	18¾	18½
Cessna Aircraft	28½	28⅛
Chase Manhattan	30½	30¼
Chemical Bk. NY	41	41
Chesebrgh Pond	28⅛	29
Chesapk System	39¾	39½
Chicago Bridge	76	76½
Chromalloy	13⅞	13¼
Chrysler	19⅞	18⅞
Cinerama	2	2
Cities Missesrn	35⅞	34⅞
Citicorp	36½	35¾
Cities Service	53¼	53¼
City Investing	9⅞	10
Coca Cola	83⅛	83⅛
Colgate Palm	27	26⅞
Collins & Aikman	12	11⅞
Columbia Gas	25⅛	24⅞
Columbia Pict	5⅞	6
Combs Cont Am	9¼	9¼
Combustion Eng.	46¾	46¼
Comw'th Edison	28⅛	28⅛
Comw'th Oil Ref.	9¾	9½
Comm. Satellite	26	26¼
Con. Edison N.Y.	18	17⅞
Consol Foods	22½	22¼
Consol Nat. Gas	25⅞	25⅞
Consumers Power	30½	30⅛
Continent'l Group	32⅞	32¾
Continental Oil	36¼	37½
Continental Tele.	13⅛	13
Control Data	34⅛	33⅞
Cooper Indus.	37¾	37½
Copper Range	22¾	21½
Corning Glass	75	74½
CPC Int'nation'l	46½	46¼
Crane	37⅛	36½
Crocker Nat.	27	26⅞
Crown Zellerbach	42	42¼
Cummins Engine	38⅞	38¼
Curtiss-Wright	13¼	13
Dana	35⅞	35⅛
Dart Industries	55½	55
Deere	58⅞	58½
Del Monte	27⅛	27
Deltona	4	4⅛
Detroit Edison	15⅛	15⅛
Diamond Shamrk	75⅛	75¼
Diesphone	9¼	9⅛
Digital Equip.	176¼	175¾
Disney (Walt)	55⅞	56⅛
Dover Corpn.	66	66⅛
Dow Chemical	46⅛	45⅞
Dresser	42¼	42⅞
Du Pont	136¾	135¾
Dymo Industries	9⅛	9
Eagle Picher	35⅞	35⅛
East Air Lines	9¼	9½
Eastman Kodak	99	98⅛
Eaton	41¼	41½
E G & G	17	16¾
El Paso Nat. Gas	14¼	14½
Eltra	50⅛	50½
Emery Air Freight	43⅞	45
Emhart	53	52⅛
E.M.I.	4¼	4⅛
Engelhard Min.	54⅛	54¼
Esmark	37⅛	38
Ethyl	38⅛	38¾
Exxon	104¾	104⅛
Fairchild Camera	49¾	46¼
Fed. Dept. Stores	46⅞	48
Firestone Tire	23	23¼
Fst. Nat. Boston	25⅛	25⅛
Flexi-Van	10⅛	10½
Flintkote	18¼	18
Florida Power	27¾	27½
Fluor	41½	42⅛
F.M.C.	25½	25⅛
Ford Motor	57⅛	56
Foremost-McK	16⅛	16⅛
Foxboro	43¼	43¾
Franklin Mint	30½	29½
Freeport Minerals	26¾	27
Fruehauf	24⅞	24⅛
Fuqua Industries	8⅛	8⅛
G.A.F.	16½	16¾
Gannett	37	37¼
Gen. Amer. Inv.	10¼	10⅛
GATX	27⅞	27
Gen. Cable	11⅛	11½
Gen. Dynamics	62⅞	62⅛
Gen. Electric	57⅛	57¼
General Foods	29¼	29⅛
General Mills	31⅞	31⅛
General Motors	67⅞	68½
Gen. Pub. Util.	16⅞	16½
Gen. Signal	50¼	49⅛
Gen. Tel. Elect.	26¼	26
Gen. Tire	22½	22½
Genesco	6⅞	6¾
Georgia Pacific	50¾	51
Getty Oil	188½	188½
Gillette	29⅞	31½
Global Marine	8⅞	9⅛
Goodrich B. F.	26¾	26¾
Goodyear Tire	23½	23
Gould	36¾	46½
Grace W. R.	27¼	27⅛
Grand Union	14½	14½
Gt. Atlan Pac Tea	12⅞	12½
Grt. North Iron	15¾	15¾
Greyhound	15⅞	15⅛
Grolier	2	2
Grumman	16½	16½
Gulf & Western	25⅛	25
Gulf Oil	27⅛	27½
Halliburton	63¾	63⅛
Hanna Mining	57½	58
Harnischfeger	22½	45⅛
Harris Corpn.	48	48⅛
Heinz H. J.	48⅛	47½
Heller (W.E.)	23½	23¾
Heublein	49	49⅛
Hewlett-Packard	115	115
Holiday Inns	14⅛	14⅛
Homestake	36⅛	36¼
Honeywell	49⅛	49
Hoover	13¼	13⅛
Hutton E. F.	19⅞	19¾
IC Industries	19¾	19⅛
INA	38⅛	38⅛
Ingersoll Rand	90	91
Inland Steel	56⅛	56⅛
Insilco	11⅛	11⅛
IBM	276	274
Intl. Flavors	24¾	25⅛
Intl. Harvester	31⅛	31⅛
Intl. Min & Chem.	46½	46⅞
Int. Multifoods	32⅛	31½
Intn'l Paper	35⅛	35⅛
Intl. Paper	72⅛	71⅛
IPD	23¾	23¾
Intl. Tel & Tel.	28½	28⅛
Interstate	31⅛	31½
Iowa Beef	32	32¼
IU International	10⅛	10⅛
Jim Walter	32⅛	31
Johns Manville	35⅛	30½
Johnson Johnson	84½	85⅞
Johnson Control	22¼	22⅛
Joy Manufactur'g	46¼	46½
Kaiser Alumin'm	36⅛	36¼
Kaiser Industries	14⅛	14¼
Kaiser Steel	41½	41½
Kay	4⅛	3⅞
Kennecott	35½	36
Kerr McGee	80	80¾
Kidde Walter	31½	31⅛
Kimberly-Clark	41	41
Koppers	58½	59
Kraftco	44½	43¾
Kresge	56	55⅛
Kroger Co.	20¼	20¼
Leval Strauss	44½	43¼
Libbey Ow. Ford.	31⅛	31
Liggett Group	38⅛	32¾
Lilly (Eli)	62	62¼
Litton Indust.	14⅞	14¾
Lockheed Aircraft	10¾	10⅛
Lone Star Inds.	18¾	18
Long Island Lg.	17⅛	17¼
Louisiana Land	26⅛	27⅞
Lubrizol	39½	38¾
Lucky Stores	13⅛	13⅛
Lykes Youngst'wn	22⅛	22
Mac Milan	8⅞	6⅞
Macy R.H.	30½	30⅛
Mfrs Hanover	40	39¼
Mapco	28⅞	28¼
Marathon Oil	56¼	56¼
Marine Midland	10¾	10⅞
Marshall Field	19	18¾
May Dept. Stores	30⅛	
MCA	33¼	33½
McDermott	48⅛	47½
McDonnell Doug.	24	24⅛
McGraw Hill	14⅛	14½
Merck	73⅞	73¼
Merrill Lynch	28¼	27½
MGM	13½	13¼
Minn Ming & Mfg	56¼	55⅛
Mobil Corp	58½	58⅛
Monsanto	90¾	
Morgan J. P.	61⅛	62
Motorola	57	56¾
Murphy Oil	24	23¾
Nabisco	41⅞	41⅛
Nalco Chemical	32	32½
National Can	14	15⅞
Nat. Distillers	26½	25⅛
Nat. Service Ind.	15⅛	15½
National Steel	50¼	51¼
Natomas	29	28⅛
NCR	34⅛	33¼
Neptune Intle.	15⅛	16¾
New England El.	21¼	21⅛
New England Tel.	28¾	28¾
Niagara Mohawk	13¼	13
Niagara Share	12	12
N.L. Industries	30⅛	30¼
Norfolk & Western	22¾	22¾
North Nat. Gas	47½	48
Nthn States Pwr.	25¼	24½
Nthwest Airlines	32¾	32¼
Nthwest Bancorp	53¼	53½
Norton Simon	19⅞	19⅛
Occidental Petrol	16⅞	17½
Ogilvy Mather	24½	24¾
Ohio Edison	17¼	17¼
Olin	41⅞	42
Otis Elevator	47½	47½
Owens-Illinois	50¼	51½
Owens-Corning	60½	61
Pacific Gas	20⅞	20½
Pac. Lighting	17⅞	17¾
Pac. Pwr. & Lt.	30½	30¾
Pan Am World Air	5	5⅛
Parker Hannifin	35⅛	35
Peabody Gallum.	18½	18¼
Penn Central	1½	1½
Penn Pw & Lt.	20¼	20¼
Pennzoil	51	51½
Pepsico	54⅞	54⅞
Pfizer	8⅛	8⅛
Peoples Drug	37⅞	37⅞
Peoples Gas	7⅛	7⅛
Pepsico	74¼	74½
Perkin Elmer	23	23⅛
Pet	27⅞	28
Pfizer	28¾	28½
Phelps Dodge	43¼	43
Philadelphia Elec	15⅞	16¼
Philip Morris	53¾	52⅞
Phillips Petrol'm	60¼	60¾
Pickwick Inter.	18⅛	18½
Pillsbury	38	37¼
Pitney Bowes	16¾	16½
Pittston	45⅛	45½
Plessey Ltd ADR	13⅛	13⅛
Polaroid	40½	39⅞
Potomac Elec.	13	12¾
PPG Industries	52	51⅞
Procter Gamble	95⅞	95
Pub. Serv. Elect.	19½	19⅞
Pullman	36⅛	36⅞
Purex	17¼	16⅞
Quaker Oats	27⅞	27
Rapid American	5⅞	5⅛
Raytheon	60⅛	59⅞
RCA	29	28¾
Reading	11⅛	11⅛
Republic Steel	38⅛	38½
Revlon	43¾	43⅞
Reynolds Metals	36½	37¼
Reynolds R. J.	57¼	56⅞
Rich'dson Merrell	25⅛	24⅞
Rockwell Inter.	51½	51⅞
Rohm & Haas	61¼	61¾
Royal Dutch	46⅞	46⅞
Russ Togs	11	11
Ryder System	14	13⅞
Safeway Stores	40⅛	40⅛
St. Joe Minerals	48½	47⅞
St. Regis Paper	41⅞	40¾
San Fe Ind.	38½	38¼
Saul Invest.	5⅞	5⅞
Saxon Inds.	6¾	6¼
Schlitz Brewing	19	18⅛
Schlumberger	87⅞	87¼
SCM	17¾	17⅞
Scott Paper	20	20⅞
Scovill Mfg.	18⅛	16⅞
Scuild'r Duo Vest	7	7⅛
Sea Containers	31	31
Seagram	24⅞	25
Searle (G.D.)	15⅛	15¼
Sears Roebuck	65¼	64⅞
SHDO	32	32⅛
Shell Oil	67⅛	66½
Shell Transport	31	30⅞
Signal	20⅛	20½
Signode Corp.	38	36¼
Simplicity Pat.	13⅛	12¾
Singer	24½	24½
Solitron	2½	2⅛
Southdown	19	19½
Southern Cal. Ed	19¾	19⅞
Southern Co.	14⅞	14⅞
Sthn. Nat. Res.	55½	54⅞
Southern Pacific	34	34½
Southern Railway	61	60¼
Sperry Rand	24⅞	24⅛
Sperry Hutch.	14⅞	14⅛
Spartan Food	50¼	50¼
Squibb	33¼	32⅞
Standard Brands	38⅛	37⅞
Std. Oil California	38½	38
Std. Oil Indiana	50¼	50½
Std. Oil Ohio	71⅞	71⅞
Stauff Chemical	43⅞	42½
Sterling Drug	17½	17
Stanielbaker	49	48⅞
Sun Oil	37⅞	37½
Sundstrand	36¼	36¼
Synnex	33¼	32⅞
Tandy	35⅞	35½
Technicolor	5⅞	5¼
Teledyne	67¾	66⅞
Teleco	3⅞	3⅞
Tenneco	32½	31⅞
Texaco	27⅞	27⅞
Texas Gas Trans	33⅞	33⅞
Texas Inst.	134¼	134⅛
Texas Oil & Gas	21⅞	21⅞
Texas Utilities	19¼	19
Time	62¼	62¼
Times Mirror	23¼	23⅞
Timken	56	57¼
Trane	26⅞	26⅞
Transamerica	10⅞	11
Trans Union	34¼	34⅛
Transway Int'rnl	20¼	20⅛
Trans World Air.	12⅛	13
Travelers	32⅞	32⅞
Tri Continental	20⅛	20⅛
T.R.W.	57	56¾
20th Century Fox	10⅞	10½
UAL	27	27⅞
UMC	21¼	21⅛
UGI	15¾	15½
UOP	12	11⅞
Unilever Ltd.	31⅛	32⅛
Unilever NV	45	45¼
Union Bancorp.	10⅛	10
Union Carbide	65⅛	64⅞
Union Commerce	8⅛	8½
Union Oil Cali	54⅛	54¾
Union Pacific	90	91
Uniroyal	2	2⅛
United Brands	9¼	9½
United Corp.	8⅞	9
U.S. Bancorp.	26	26
U.S. Gypsum	32⅛	32⅛
US. Industries	6¼	6
U.S. Shoe	25½	25⅛
U.S. Steel	53⅞	53⅞
U. Technologies	36¼	35¾
Utah Int'l	58⅛	57
UV Industries	33⅞	33¼
Virginia Elect.	14	13¾
Walgreen	14⅛	14⅛
Warner-Lambert	20¾	21⅛
Warner-Lambert	32⅛	32¼
Wells Fargo	24⅛	24
Western Bancorp.	25	24⅞
Western N. Amer.	12¼	12⅛
Western Union	19⅛	18⅞
Westingh'se Elect.	17⅛	17
Weyerhaeuser	44⅛	44¼
Whirlpool	25⅞	25¾
White Cons. Inds.	24⅛	24⅛
Williams Co.	23⅛	23⅞
Wisconsin Elect.	26¼	26⅞
Woolworth	24	23¾
Wrly	2¾	2¾
Xerox	62⅞	60⅞
Zapata	13⅛	13⅛
Zenith Radio	35¾	35¼
Chile 8% 1985	90⅛	90⅛
U.S. Treas. 4% 1980	89⅞	89⅞
US Treas 4¼% 85	†85	†82¾
U.S. 90 days bills	534	534

CANADA

Stock	July 2	July 1
Abitibi Paper	11⅛	11⅞
Agnico Eagle	4.40	4.50
Alcan Aluminium	25¼	25½
Algoma Steel	26

هكذا من الأصل

FARMING AND RAW MATERIALS

iddle East lys more K. broilers

Peter Bullen

RACTS FOR the export of worth of British broiler ns to the Middle East were l in London yesterday.

Bill Eastwood, chairman tish poultry Export, a com- m of a dozen leading y companies, which ed the deal, said it brought export orders from the e East so far this year to £9m. worth.

e last year the U.K. had self-sufficient in poultry supplies and with output ear running 5 to 10 per higher than in 1975 the ex- would take up a valuable 51 per cent. The rest of ncreased output would pro- be taken up by increased stic consumption.

£5m. orders cover the of 8m. broilers to most e Eastern countries where d for meat imports was rapidly in line with in- in standards of living r. Eastwood. As pork was led for religious reasons eef and lamb were "very increasingly expensive," n was the natural benefac- f this demand he added.

atinum ice rise

Our Commodities Editor

SE in the world price of um, from $155 to $170 a ounce, was announced day by Impala Platinum. means that its price will be $5 above the amount ed by the major producer, nburg, who raised its price .0 to $165 an ounce about rth ago.

tead of following Rusten- s lead immediately, Impala ently decided to wait until ore substantial increase be made. It has been raged to go ahead to the r level by the firmness in ree market which is now ng at over $180 an ounce, in sterling terms yesterday d £100 for the first time early 1974.

stenburg managing director, Pat Retief, told Reuter in nnesburg yesterday that the pany was not about to make new move on pricing at the ent, but would naturally the situation anew.

IGGER TAIWAN ICE CROP

TAIPEI, July 6.

iwan's first rice crop this will total 1.37m. tonnes, 0 tonnes more than in the period last year, the ral News Agency said here.

Australia increases wool 'floor' price by 14%

BY PETER BULLEN

THE AUSTRALIAN Government announced increases in the "floor" price for Australian wool yesterday which will put it up by an average 14 per cent. Until now the Australian Wool Corporation's floor price for 21 micron grade wool was 250 cents a kilo. But for the next two seasons it will not fall below 275 cents in order to provide long term stability for the industry, Mr. Malcolm Fraser, the Australian Prime Minister, said.

However, as the AWC explained later the floor price will in future be based on the average price of clean wool instead of on the 21 micron grade. The new average floor price will be about 234 cents a kilo compared with 208 cents in the past two seasons ranging from a rise of 4 per cent. for the superfine merino 19micron classification to 33 per cent. for fine crossbred carding style wool.

Mr. Alf Maiden, AWC chairman, said the overal level for the floor price will be calculated by the same method to be used in reporting the daily market price from the start of the new season on August 17. Instead of quoting a price for 21 micron, a new indicator will be used calculated daily as an average from quotations on a wide range of types representing the clip composition.

The AWC welcomed the new floor price. Reuter reported from Melbourne. "It is very pleasing that the Commonwealth Government has shown in such a positive way its confidence in the operation of the floor price for Australian wool," said Mr. Maiden. "The increase in the floor price for 1976-77, the guarantee of at least that new level continuing throughout 1977-1978, and the strengthening demand for wool all point to great enhanced prospects for stability in the wool industry."

Some leading producers had called for increases of at least 20 per cent. in the floor price and the AWC itself had pointed out that the old price was worth little more in real terms than that of 1970-71 when many wool growers quit the industry.

However, consuming countries warned the Australian Government of the danger of raising the floor price too high. Only last month, the International Wool Textile Organisation said any more than a "symbolic" increase would be a serious barrier to recovery in all wool manufacturing sectors.

Now that Australia has announced its increase, the South African Wool Board is expected to announce a rise in its floor price shortly to take effect when the new season begins there on September 2.

Last week, New Zealand announced details of its wool price stabilisation scheme designed to skim off some income from producers when wool prices are high to help them if the industry becomes economically depressed. Our Wellington Correspondent writes: New Zealand producers have protested bitterly against the scheme. They are also unhappy about a new compulsory levy on wool sales which came into force on July 1.

Under this scheme, every sheep farmer has to pay a 3 per cent. levy on all short wool and slipe sold. This goes into minimum price funds. Despite the complaints and objections, New Zealand wool growers at last have a stabilising scheme which will level out at least some troughs and peaks of wool prices which are an inevitable result of a free moving market.

General rise in metal prices

BY JOHN EDWARDS, COMMODITIES EDITOR

THERE WAS a general rise in metal prices on the London Metal Exchange yesterday, as buying interest built up despite the firm tone in sterling. New demand was more tha nsufficient to off-set some profit-taking sales.

Tin prices reached new all-time peaks again with the cash price closing £48.5 up at £4,707 a tonne. However, the rise in the market was reversed following announcement by the International Tin Council that the suspension on the buffer stock activities has been lifted, and the manager authorised to operate at his discretion to stabilise prices.

It is not thought that the buffer stock intervened yesterday. But that renewed selling to dampen down prices could emerge again if the market continued to rise. Whether or not the buffer stock has sufficient resources, with only 2,820 tonnes in hand, to stop a further, determined rise is, of course, open to question. But at least the manager is no longer committed to sell out at the "ceiling" price and can thus be more flexible in seeking to restrain the upward surge in the market.

The council meeting authorised the buffer stock manager to acquire the 2,820 tonnes on tin carried over from the previous agreement and also agreed to call up the initial contributions from producer countries of 7,500 tonnes equivalent in cash. Five consuming countries — Belgium, Luxembourg, Canada, France, the Netherlands and Britain—have so far confirmed their intention to contribute to the voluntary buffer stock of the Fifth Agreement.

Copper prices also rose to reach the highest level for two years. Cash wirebars gained £12 to £930.5 a tonne by the close and moved further ahead on the late kerb following the trend in the New York market, when it reopened after the Independence Day holiday on Monday.

The biggest rise in percentage terms, however, was in lead where values were up sharply. Cash lead gained £12.625 to £288.25 a tonne. Generally this was attributed to the underlying "bullish" sentiment in the metal markets, but it is believed the upward trend is also being helped by recent sales of lead to the Soviet Union.

At the same time the rise in lead prices was influenced by the gains in copper and zinc. Cash zinc rose by a further £5.5 to £438 a tonne, on continued expectations of an imminent increase in the U.S. producer price.

● Reuter reported from Tokyo that a major Japanese copper smelter said plans were now under study to invite the London Metal Exchange to set up an authorised warehouse in Tokyo so Japanese smelters and users could herge here quickly.

Yoshihiro Inai, president of Mitsubishi Metal Corporation said in addition, plans were being studied for the feasibility of opening an international metal exchange, similar to the LME and the New York Commodity Exchange, in co-operation with countries in the Pacific basin.

Sugar leads commodity price rise

By Richard Mooney

SUGAR PRICES on the London terminal market reached new 11-month peaks yesterday as part of a general rise in soft (non-metal) commodity values which included cocoa, rubber and soyabeans.

The sugar market's advance was attributed by dealers to Commission House buying encouraged by the continuing dry weather in Europe. It was also suggested that the CBI forecast of a new commodity boom on Monday may had added fuel to the speculative interest. The October position closed £5.475 higher at £208.975 a ton after reaching £211 at on time.

Meanwhile, unconfirmed reports circulating in London said the Dominican Republic had sold 40,000 tonnes of raw sugar to a New York dealer overnight. This is in addition to the 170,000 tonnes sold over the week-end and would leave a balance of around 100,000 tonnes available for sale. More fundamental news came with the announcement that Peru had cuts its 1976 sugar production target to 922,000 tonnes from 1m. tonnes.

Trading on the cocoa market was relatively quiet with the September position ending £10 up at £1,242.5 a tonne. But permissible limit rises were seen in rubber and soyabean meal futures.

Rubber dealers put the rise down to higher levels traded in the East coupled with the general "bull" sentiment in commodities. September rubber futures gained £1.75p to 54.375 a kilo while on the physical market the spot price went up 2p to 50.5p a kilo. The upsurge insoyabean meal futures was attributed to expectations of a sharply higher opening in Chicago while Soviet buying interest continued to boost sentiment.

Coffee futures also gained ground early in the day with the September quotation reaching £1,612 at one stage. By the close, however, the price had fallen to £1,596.5 a tonne; down £5 on the day.

U.K. potato shortage fear

By Our Commodities Staff

UNLESS IT rains in the next 10 days, Britain could face another potato shortage, a farming expert warned yesterday.

The crop is at a critical stage, said Mr. Albert Davies, Chief agricultural officer of the Ministry of Agriculture's Development and Advisory Service.

FT COMMODITIES CONFERENCE

No sudden price boom expected

BY ANDREW TAYLOR

THE GOVERNMENT yesterday denied that it had adopted a fixed percentage limit to non-trade speculation in commodity markets. Mr. Robert Maclennan, Under Secretary of State for the Department of Prices and Consumer Protection, said a report to this effect was "totally unfounded." He was speaking on the first day of the "Outlook for Commodities Conference," sponsored by the Financial Times and the Investors Chronicle, at the Royal Lancaster Hotel in London.

Mr. Maclennan said that the Bank of England had been developing systems of data collection and analysis which gave the market authorities a clear, more rapid, understanding of what was happening to different commodities; but where speculative action was distorting prices—as recently in the case of zinc—it was only the market authorities that could take direct action.

He said, however, that there was a new speculative element which regarded certain commodities as stores of value—in the same way that gold was regarded. This element should not be confused with the more traditional role of speculators in commodity futures who played an essential part in stabilising prices and ensuring the successful functioning of the market.

Referring to the traditional boom-bust cycle of commodity prices, Mr. Maclennan said it was in the interests of both developed and developing nations to ensure greater price stability.

"The British position is clear and consistent," he said. "We are ready to give our support to joint efforts by producers and consumers to conclude commodity agreements, designed to facilitate the orderly conduct and development of trade. But we recognise the difficulty of finding overall solutions. Our essentially practical case-by-case approach has, mistakenly, been interpreted by some critics as signs of a lack of zeal. That is quite wrong."

Mr. Maclennan said that he did not expect a sudden boom in commodity prices; although raw material costs had begun to rise again, many prices were still substantially below their 1974 peaks.

He said: "To date the increases appear to be a rally from the low prices reached in 1975 rather than the start of another commodity price boom. Unlike the 1973-74 boom, which emanated from both high demand and commodity capacity shortages, the supply side of the commodities market currently looks good."

Mr. Robert A. Perlman, managing director of the Commodities Research Unit, said that prices in Britain were currently rising faster than elsewhere because of the sterling crisis. In West Germany there had virtually been no increase at all in industrial raw material prices.

"You have to consider that in quoted at $2.40 whereas its present value is $1.80. This is bound to have an effect on current prices—which do not indicate that another commodity price boom is on the way," said Mr. Perlman.

He said that he did not envisage any such boom taking place for at least 18 months to two years. The evidence was that industrial recovery which took place during the first three months of the year was now slowing down. Production capacity in producer countries was still running well behind demand from industrialised nations.

Senor Roberto de Oliveira Campos, the Brazilian Ambassador to Britain, told the conference that he expected a cautious boom—as reflected in the spirit of the recent Puerto Rico summit—rather than a bumptious boom.

"In minerals the improvement may be delayed because of existing stocks, but the jump may be sharper around the early 1980s, because little investment has taken place in opening up new mines, which involve a considerable time lag," he said.

Mr. N. Bosanquet, a research director for the Commodity Research Unit, speaking about the prospects for copper, said that although in some countries —notably Japan and in the United States—stocks had begun to reduce, world stocks were still running at well above 1.5m. tonnes. He estimated that copper prices would not rise much further this year reaching a ceiling of around 75 cents a lb.

"We expect some further rises in the first quarter of 1977, with a substantial further rise in the second quarter to about 85 cents a lb. Prices will remain at about that level for the rest of 1977, with no major increases in 1978," said Mr. Bosanquet.

He warned, however, that prices in Britain could be higher than elsewhere, depending upon the depreciation of sterling.

Dr. Walter Sies, director-general of Metallgesellschaft AG, told the conference that it would be highly difficut to stabilise copper and auminiium prices in the future by financing a buffer stock as has been done with tin.

"A buffer stock comprising the monthly requirements of tin for the Western world requires an expenditure of $100m. whereas the same stock would cost almost $1bn. for copper and the same for aluminium," said Dr. Sels.

Also speaking at the conference which was chaired by Mr. Philip J. Jevons, deputy chairman of the Rudof Wolff group, were Mr. Alan K. Russell, head of the Unctad division, directorate general for the Development Commission of the European communities, Mr. Tony Murray, a research director of the Commodities Research Unit, Mr. N. Kessel, a research director for the Commodities Research Unit and Mr. J. R. C. Guy, director of N. M. Rothschild and Sons.

Key EEC meeting on milk tax plans

BY ROBIN REEVES

BRUSSELS, July 6.

THE COMMON Market's 13-man Executive Commission is due to decide to-morrow whether to press ahead with plans for curbing the EEC's perennial dairy surpluses by taxing milk producers.

In spite of the deepening drought in many parts of the Community, the signs are that the Commission will nevertheless give its formal blessing to the plans which have been worked upon for many weeks, before they are announced by M. Pierre Lardinois, the Agriculture Commissioner.

Recognition of the less favourable political climate which the drought has produced is likely to take the form of leaving out certain key figures in the plans, such as the size of the producer levy. These would be filled in some time during teh autumn when the drought will presumably be over. In any case, they would be subject to amendment by the EEC's Agricultural Ministers.

COMMODITY MARKET REPORTS AND PRICES

ASE METALS

PPER—Gained ground on the London Exchange. Prices opened on a note owing to general buying de- ...

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
...bars	931.5-2	+14	930-1	+12
...the...	967-5	+14	966-6	+12
...m'nt	952	—14	—	.....
...ades				
.....	919-5	+14.5	918.5-9	+12
...the...	954.5-5.5	+14	953-4	+12
...mal	919.5	+14.5	—	.....
...nit...	—	.....	*70-74	.....

In a market lacking any worth- selling interest and which was ...ating a firm opening to Comex in afternoon. When this happened, the ...d price here traded up to £960 before easing back to £957 by the close of the afternoon Kerb. Turnover: 16 825 tonnes.

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £931.5, three months £960, 60, 58.5, 58, 57, 58.5, 57, 57.5, 58, 57.5, 57, 58.5, 58, 58. Three months £964. Kerb: three months £962, 63, 62, 63.5, 62, 62.5, 62.

TIN—Traded at a record £4,375 for forward standard metal at one time following the overnight rise in Penang and further speculative demand. The market was pulled back from the higher levels by the announcement from the ITC that the buffer stock manager would be allowed to deal above the ceiling level of $341,200 a piecul at his discretion. This took the forward standard price down to £4,810 before it ended at £4,820 on the afternoon Kerb. Further trade covering on nearby short positions again narrowed the contango which traded at £80 for the full period at one time. Turnover: 1,775 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High-Grade £				
Cash.....	4738-40	+104	4705-10	+48.5
3 months...	4853-5	+80.5	4815-20	+81
S'ment.....	4740	+105	—	.....
Standard				
Cash.....	4735-4	+104	4705-10	+48.5
3 months...	4853-8	+80.5	4815-20	+81
S'ment.....	4740	+105	—	.....
Straits M...	£12864	+55	—	.....
New Tons...	—	.....	—	.....

Morning: Standard, cash £4,760, 38, three months £4,865 70, 72, 70, 69, 67, 69, 68. Kerb: Standard, three months £4,850. Afternoon: Standard, cash £4,765, three months £4,885, 80, 48 45, 38, 36, 10, 20, 15, 20. Kerb: Standard, three months £4,835, 30, 20.

LEAD—Sharply higher. Forward metal traded up to £298 owing to chartish and speculative buying and feelings that the price had been a little left behind in the recent upturn of other base metals. Profit-taking at the higher levels caused a reaction to £296 but on the afternoon Kerb the price moved back up to close at £298. Turnover: 41,900 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash.....	272.5-3	+12.5	286-½	+12½
3 months...	284-.25	+12½	298-½	+12½
S'ment.....	285.5	+12.5	—	.....
N.Y. Spot...	—	.....	*81.88	.....

Morning: Cash £283 three months £285, 4, 7, 8, 8.5, 7, 8.5, 7. Early-July £285, three months £287. Afternoon: Three months £297, 8, 7.5, 8. Kerb: Three months £298 (Mainly carries).

ZINC—Up again but ended marginally below the day's highest. Continued hopes of an imminent rise in the U.S. producer quotation pushed forward metal up to £439 in early trading here before profit-taking and hedge selling caused a reaction to £435. By the close of the afternoon Kerb, however, the price had edged back up to £438. Turnover: 6,850 tonnes.

ZINC	a.m. Official	+ or —†	p.m. Unofficial	+ or —†
	£	£	£	£
Cash.....	436.5-7.5	+11½	437.5-8.5	+6.5
3 month...	455-.5	+12	456.5-6	+8.25
S'ment....	437.5	+11.5	—	.....
Prm. West	—	.....	—	.....

* Cents per pound. †On previous unofficial close. ‡£32 per piecul.

Morning: Cash £438, 7, three months £459, 8.5, 6, 55.5. Three months £455, 56.5. Afternoon: Cash £440, three months £456 7, 8, 7.5, 7, 8. Kerb: Three months £458, 57, 58.

SILVER

Silver was fixed 2.25p an ounce higher for spot delivery in the London bullion market yesterday, at 279.7p. U.S. cent equivalents of the fixing levels were: spot 504.3c, up 3.7c; three-month 518.4c, up 7.1c; six-month 532.4c, up 7.6c; and 12-month 556.2c, up 13.1c. The metal opened at 278.3-277.3p (496-500c) and rose in the afternoon, mainly on the strength of the New York market, to close at 280.2-281.2p (502-505c).

SILVER per troy oz.	Bullion fixing prices	+ or —	L.M.E. close	+ or —
Spot.....	279.7p	+2.25	281.15p	+5.0
3 months...	289.9p	+2.65	290.7p	+2.75
6 months...	299.8p	+3.05	—	.....
9 months...	—	.....	302.5p	+3.0
12 months...	314.9p	+3.15	—	.....

LME Turnover 340 (126) lots of 10,000 ozs. Morning: Three months 289.0, 89.9, 89.8, 89.7, 90.2, 90.0, 89.8, 89.7, 89.5, 89.4, 89.5, 89.4, 89.3; Seven months 301.5. Kerb: Three months 289.4, 9.5, 9.3. Afternoon: Three months 292.0, 91.5, 91.4, 91.2, 91.3, 91.5, 91.8, 91.7, 91.5, 91.0, 90.8. Kerb: Three months 290.8, 90.2, 90.3, 90.4, 90.7, 90.5.

COCOA

Firm conditions continued with further buying absorbing scale-up first hand selling, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
No5 Cntr'ct			
July.....	1255.0-56.0	+7.5	1254.0-45.0
September	1242.0-43.0	+10.5	1246.0-30.0
December	1185.5-86.0	+10.5	1189.0-55.0
March.....	1118.0-18.5	+10.5	1119.0-05.0
May.....	1084.0-86.0	+8.25	1080.0-74.0
July.....	1056.0-60.0	+15.5	1055.0-46.0
September	1027.0-34.0	+18.0	—

RUBBER

STEADIER opening on the London physical market. Fair interest throughout day, closing quiet after steady. Lewis and Peat reported a Malaysian sodown price of 203 cents a kilo (buyer, July).

No.1 R.S.S.	Yesterday's close	Previous day's close	Business done
August	53.55-54.50	52.25-53.50	54.00-53.00
Sept.	54.00-54.75	52.50-53.75	—
Oct-Dec	57.00-58.50	55.55-57.00	58.00-55.00
Jan-Mar	60.00-60.50	57.95-58.10	60.50-59.00
Apr-Jne	61.50-61.55	59.40-59.50	62.00-59.40
Jly-Sept	62.10-62.25	59.90-60.20	63.00-62.10
Oct-Dec	62.60-62.75	60.50-60.80	63.00-62.70
Jan-Mar	62.70-63.25	61.00-61.20	63.25-62.60
Apr-Jne	62.00-62.75	56.00-60.50	—

Malaysian Sheets—Spot and July-August shipment quoted unchanged at 203.5 cents a kilo. Sales: 30 tonnes.

Physical closing prices (buyers) were: Spot 50.5p (48.5); August 49.75p (49.0); Sept. 50.75 (49.85).

COFFEE

Robustas futures were subdued during the afternoon and when values failed to pierce a chart point at £1,595 basis Nov., the market reacted lower under local selling and profit-taking. A softer tendency in New York and quiet physicals aided the downtrend, dealers said. At the close values were 14-25 lower.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
July.....	1572-575	—4.0	592-580
September...	1596-597	—5.0	612-592
November...	1589-590	—5.5	605-590
January.....	1580-581	—4.0	595-580
March.....	1575-576	—5.0	591-575
May.....	1571-574	—7.0	582-572
July.....	1565-570	—8.5	565

Sales: 2,884 (669) lots of 5 tonnes.

FREIGHTS

DRY CARGO—Market virtually idle following Independence Day holiday in the U.S. Grain shippers, however, fixed cargo of wheat from Columbia River or Puget Sound to the Philippines at $16.50 f.i.o. for Aug., and a cargo from the River Plate to Antwerp/Hamburg range at $19 free discharge for July. Elsewhere timecharterers booked a vessel of 9,000 long dwt for six months trading at $2,900 daily including overtime, delivery Bangkok or Singapore July. Charterers attempts to secure lower rate levels in the North American grain section appeared to be making little headway following the psychological boost to shipowners morale by news of Soviet soyabean purchases combined with reports from grain market sources that China might emerge later this year as prospective buyer of a further million tons of grain. Timecharterers were open for a vessel of 24,000/26,000 long dwt for a voyage from east coast Australia to Japan Aug. 5/25.

SOYABEAN MEAL

Market opened firmer moving to limit-up on strong support from London and Continent and limit-up trading in Chicago soyabeans. Some late selling pushed prices slightly easier towards the close, reports SNW Commodities.

	Yesterday's Close	+ or —	Business Done
	£per tonne		
August.....	159.00-58.0	+2.25	62.00
October ...	159.50-60.0	+3.40	60.0-56.00
December ...	165.80-66.5	+2.75	68.40-64.00
February ...	169.70-69.5	+3.75	—
April.....	169.70-71.5	+3.25	71.00-68.00
June.....	171.25-73.0	+4.00	73.40-68.00
August.....	172.50-74.0	+3.00	—

Sales: 332 (149) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (raw sugar) £190 (£187) a ton c.i.f. for July-Aug. shipment. White sugar daily price was fixed at £208 (£205).

Market opened some 100-200 points higher and improved gradually to reach the highs of the morning at mid-day with gains of up to 200 points being recorded. Thereafter, a slight reaction set in before the market found further support. Prices then lifted sharply when the March New York position reached the limit advance and in a flurry of activity the October and December positions reached $21.100 and $21.850 respectively. By the close, an easier tone had developed and prices reacted by some 300 points following the report of a Peru selling tender to-day for 50,000 tons of raws for first half October shipments, reports C. Czarnikow.

Sugar	Yesterday's Close	Previous Day's Close	Business Done
Pref Comm Con.			
	£ per ton		
Aug.....	198.80-99.25	195.50-94.80	200.0-194.50
Oct.....	208.85-09.00	203.25-03.75	211.00-04.50
Dec.....	215.60-15.75	209.50-09.75	216.50-11.50
March ...	216.75-15.80	209.00-09.75	216.50-11.50
May.....	214.00-15.25	208.50-04.75	216.50-11.25
Aug.....	211.00-15.00	201.00-202.00	214.00-10.00
Oct.....	213.50-14.00	207.00-09.00	215.00-11.00

Sales: 6,637 (5,257) lots of 50 tonnes.

Tate and Lyle ex-refinery price for granulated basis white sugar was £227.00 (same). A long ton for home trade and £230 (£247) a long ton for export.

WOOL FUTURES

LONDON—Market improved steadily over day on improved volume, reports Bache.

(Pence per kilo)

Australian Greasy Wool	Yesterday's close	+ or —	Business Done
July.....	217.0-22.0	+4.5	217.1-11.0
October	225.0-28.0	+2.0	224.0
December ...	233.0-38.0	+2.0	236.0-33.0
March	243.0-46.0	+2.5	246.5-43.0
May.....	250.0-54.0	+4.0	—
July.....	254.0-60.0	+2.5	—

Sales: 313 (126) lots of 15 tonnes.

SYDNEY GREASY (in order, buyer, seller, business, sales)—July 377.5-378.0, 278.0-275.0; Oct. 293.0-295.5, 297.0-294.0; March 302.0-302.5, 305.0-302.5; May 307.5-308.4, 309.5-306.5. Sales: 277.

GRAINS

THE BALTIC—Imported grains generally rulled about unchanged, but a firmer undertone developed late in the day in line with price advances in Chicago. All sections were very subdued with fresh buying inquiry slow to develop.

Wheat: U.S. Dark Northern Spring No. 2 14 per cent. August £107, Sept. £106.60 direct Tilbury, August £110.65, Sept. £110.05, Oct. £111.20, Nov. £113.25, Dec. £114.60 transhipment East Coast. U.S. Hard Winter No. 2 Ord. July £95.05, August £97.30, Sept. £99.45, Oct. £101 transhipment East Coast. EEC Feed July £80.50 East Coast.

Maize: No. 3 Yellow American option first-half July £76, second-half July £77 transhipment East Coast.

Barley: EEC Feed/Canadian No. 2 feed option July £73.75 West Coast.

LONDON GRAIN FUTURES MARKET (GAFTA)—Wheat, steady. Close: Sept. 73.25, Nov. 78.30, Jan. 81.55, March 84.20, May 86.70. Business: 73.15-74.95, 78.25-77.90, 81.60-81.20, 84.35-83.95, 86.50-86.25. Sales: 337. Barley, steady. Close: Sept. 74.50, Nov. 77.50, Jan. 80.95, March 83.90, May 85.75. Business: 74.50-74.10, 77.65-77.35, 81.05-80.65, 83.70-83.25, 85.95 Sales: 264.

EEC IMPORT LEVIES—Premiums effective for July 7 (in order current levy plus Aug., Sept. and Oct. premiums, previous in brackets). Common wheat—36.21 nil, nil, nil. (35.86 nil, nil, nil). Durum wheat—76.12 nil, nil, 1.2. (73.84, nil, nil, nil). Rye—44.10 nil, nil, nil, (44.10 nil, nil, nil). Barley—28.86 nil, nil, nil. (27.47, 1.21, 1.21, nil). Oats—18.48 nil, nil, 0.81, (20.06, 3.23, 3.23). Maize (other than hybrid for seeding)—25.53 nil, nil, 1.33. (29.72, nil, nil, 0.73). Buckwheat—5.49 nil, nil, nil, (5.49, nil, nil, nil). Millet—34.89, nil, nil, nil, (35.49, nil, nil, nil). Grain sorghum—37.91 nil, nil, nil. (39.12, nil, nil, nil). Levies also effective for flours. Wheat or mixed wheat and rye flour—62.83 (65.42). Rye flour—73.90 (75.90).

MEAT/VEGETABLES

COVENT GARDEN (prices in sterling) —Imported produce: Oranges—S. African: Navels/Valencias 100 pkts 4.50-5.00; Jaffa: Valencia Lates 2.50-4.00; Cyprus: Valencia Lates 3.00-3.80; Spanish: 2.50-2.70; Californian: Valencia Lates 3.50-3.60. Lemons—Italian: 4.50-5.00; S. African: 4.30-4.80. Melons—Israeli: Yellow 6.14 3.80-4.00; Ogens 6.12 8.00. Watermelons—Israeli: 3.00; Greek: 6 3.50; Spanish: 2.50-3.00. Apples—Italian: Per pound Golden Delicious 0.07; French: Golden Delicious 20-lb 12-54 1.90-1.90; New Zealand: Sturmer Pippin 3.50-4.20, Granny Smith 3.80-5.10; S. African: Per 40-lb Granny Smith 4.10-5.30, Winter Pearmain 3.80-3.20, Golden Delicious 3.60-3.70; Western Australian: Granny Smith 3.00-3.40; Tasmanian: Sturmer Pippin 3.60-4.00, Democrats 4.80, Crofton 3.3, Golden Delicious 3.5; Chilean: Granny Smith 5.00. Pears—S. African: Cartons Packham's Triumph 4.00, Winter Nells 3.40-2.60; Victorian: Packham's Triumph 5.60-5.80, Josephines 3.20-3.60. Grapes—Cyprus: Per 10-lb Perlette 6.00, Cardinal 4.50. Israeli: Per approx. 10-lb Perlette 5.30. Grapefruit—S. African: 2.60-3.40; Jaffa: 2.50-2.80. Cherries—Per pound Italian: 0.35; Cyprus: 0.40. Peaches—Spanish: Trays Yellow C 2.00, B 2.20, A 2.40; Italian: Large trays C 2.60, B 2.10, A 3.60; French: Small C 2.00, B 2.20, A 3.80. Plums—Spanish: 5-kg Jap 1.00-1.20, Gaviota 1.50-1.70, Spots Rosa 1.70-2.00, Formosa 1.40-1.90. Apricots—Spanish: 2.00-2.20. Avocados—S. African: 2.40-3.00. Capsicums—Dutch: 11-lb 4.30. Tomatoes—Per 5-kg Dutch: 1.30-1.80; Guernsey: 1.60-1.80; Jersey: 1.60. Onions—Israeli: 4.00-4.80; Texas: 30-lb 3.20; Spanish: 4.50. Potatoes—Cyprus: 4.00. Beetroot—Cyprus: Per net 1.0. Carrots—Italian: Per 25-lb 2.00.

English produce: Apples—Per pound Bramley's Seedling 0.11-0.14. Strawberries—Per ½-lb 0.16-0.22. Gooseberries—Per pound 0.15. Loganberries 0.16-0.22. Cherries—Per pound Black 0.23-0.26, White 0.18. Naps 0.25-0.28. Potatoes—Per bag 2.40-2.60. Tomatoes—Per box 12-lb 1.10-1.20. Cucumbers—Per box 2.00-2.40. Mushrooms—Per pound 0.40-0.50. Celery—Per 12/18 2.60-3.00. Broad beans—Per pound 0.05. Runners 0.16-0.22. Lettuce—Per 12 1.50, cos 1.50. Carrots—Per bunch 0.08, bags 1.70-3.00. Peas—Per net 40-lb 2.00, 20-lb 1.00-1.2. Beetroot—Per net, 1.4. Onions—Per 10-kg nets 2.00, 25-kg 4.50. Marrows—Per box 15/25 1.00-1.40. Blackcurrants: Per ½-lb 0.12. Red currants: Per ½-lb 0.14.

SMITHFIELD (pence per pound)—Beef: Scotch killed sides 38.0 to 43.0, English hindquarters 50.0 to 58.0, forequarters 27.0 to 30.0, Ulster hindquarters 52.0 to 55.0, forequarters 25.0 to 28.0, Eire hindquarters 50.0 to 54.0, forequarters 24.0 to 26.0.

Veal: English fats 38.0 to 50.0, Scotch bobbies 35.0 to 38.0, Dutch hinds and ends 60.0 to 67.0.

Lamb: English small 38.0 to 44.0, medium 39.0 to 40.0, heavy 36.0 to 39.0. Imported frozen: NZ PL 39.0 to 39.5, PM 36.5 to 37.5, PR 33.0 to 33.5.

Ewes: 17.0 to 22.0.

Pork: English under 100 lbs 25.0 to 33.0, 100-120 lbs 25.0 to 32.0, 120-160 lbs 25.0 to 31.0, 160-180 lbs 25.0 to 29.0, 180 lbs and over 24.0 to 28.0.

MEAT COMMISSION average fatstock prices at representative markets on June 6: G.B. Cattle £27.68 per live cwt (—0.17); U.K. Sheep 45.0p per lb c.d.e.w. (+0.9); G.B. Pigs £3.61 per score l.w. (—0.26). England and Wales—Cattle numbers down 9.8 per cent. average £28.64 (—0.14); Sheep up 6.2 per cent. average 45.0p (+0.8); Pigs down 18.0 per cent. average £3.54 (—0.29). Scotland—Cattle down 20.0 per cent. average £29.40 (+0.04); Sheep down 50.2 per cent. average 43.7p (+1.5). Pigs down 4.8 per cent. average £3.47 (+0.01).

COTTON

COTTON—Liverpool: Spot and shipment sales amounted to 799 tonnes bringing the total for the week so far to 2,254 tonnes. Renewed attention was directed towards numerous qualities with middle eastern growths attracting most interest. Spinners were looking ahead on a broader basis despite exceedingly high price levels, reports Tattersalls.

JUTE

DUNDEE—Quiet. Prices c and f U.K. for Aug.-Oct. shipment, BWB £254 BWC £261. Tossa: BTB £225 BTC £211 BTD £203. Calcutta goods steady. Quotations c and f U.K. for July shipment. 10 oz 40 inch £8.02 7½ oz £8.14 per 100 yards. Aug. £8.04 £8.15 Sept. Oct. £8.04 £8.15. "B" Twills £22.95 £23.13 £23.30 for the respective shipment period. Yarn and cloth prices very firm.

LONDON—Quiet. Bangladesh White "C" grade June/July £380. Bangladesh White "D" grade June/July £362. A long ton.

★

HIDES—Manchester: Firm with moderate clearance. Second clear ox 51-55 kilos 50.5p per kilo; 26-30.5 kilos 52p; 22-25.5 kilos 51.5p. Light cows 56.2p. No calf offered.

★

COPRA—Philippines: Per tonne. Aug. and Sept. $320 ($300) quoted, c.i.f. North European ports.

PRICE CHANGES

Prices per ton unless otherwise stated.

	July 6 1976	+ or —	Month ago
Metals			
Aluminium (st).....	£456	.....	£456
Free Market (cif)...	$820-845	.....	$480-490
Copper.....			
Cash Wire Bars (st)...	£930.5	+11.0	£85.5-75
3 months do. do.(st)	£963.5	+12.25	£883.5
Cash Cathode (st)...	£913.75	+12.0	£847.5
3 months do. do.(st)	£953.5	+11.75	£876.75
Gold.....Troy oz.	$125.375	+0.25	$127.825
Lead Cash (st).....	£288.25	+12.5	£263.5
3 months (st).....	£298.25	+12.5	£273.75
Nickel (st).....	£2,802	.....	£2,778
Free Market (cif) (lb)	$2.05-2.15	.....	$2.05-.17
Platinum (fine) oz.	£94.5-100	.....	£91-97
Free Market	£100.35	+0.80	£93.95
Quicksilver 76lb (c)	$80-88	.....	$85-90
Silver Troy oz.	279.7p	+2.25	268.7p
3 months (st).....	289.9p	+2.35	276.9p
Tin Cash (st).....	£4707.5	+48.5	£4,340
3 months (st).....	£4817.5	+51.0	£4,465.5
Wolfram 22.04lb.cif	£62-64.5	.....	£61-65
Zinc Cash (st).....	£438	+5.5	£423.5
3 months (st).....	£455.75	+6.25	£439.5
Producers (st).....	£795	.....	£795
Oils			
Coconut Malayan...	‡	.....	‡
Groundnut			
3.....	£461	.....	£377
Linseed Crude (t) ..	£417	.....	‡
Palm Malayan (m)..	£450	+22.0	‡
Soyabean (u).....	‡	.....	‡
Seeds			
Copra Philipp (c)...	£320	+10.0	£325
Gr'nuts Nigerian...	‡	.....	‡
Linseed Can No. 1..	£207	.....	£184.5
Grains			
Barley EEC.....	£73.75	.....	‡
Home Futures.....	£74.5	—0.4	£70.7
Maize			
French No.3 Arr.	£76	.....	‡
S.A. Yellow.....	‡	.....	‡
Wheat			
No. 1 Red Spring	‡	.....

STOCK EXCHANGE REPORT

Leaders encounter profit-taking after early mark up

Share index down 2.2 at 390.3—Reaction in Oils

Account Dealing Dates

Option *First Dealings	Declarations	Last Dealings	Account Day
Jun. 14	Jun. 24	Jun. 25	July 6
Jun. 28	July 8	July 9	July 20
July 12	July 22	July 23	Aug. 3

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

The recent useful run up in equities came to an end yesterday. Renewed firmness in sterling encouraged jobbers to mark prices of the leaders higher at the opening, but professional profit-taking developed fairly soon and initial gains were more than erased. Up 0.8 at 10 a.m., the FT 30-share index reacted to close 2.2 down on balance at 390.3, after the rise of 21 points over the previous five trading days. There was a further increase in business as measured by official markings of 4,992 compared with 4,180 on Monday and 3,776 a week ago.

Elsewhere, Oil shares provided one of the day's most outstanding sectors following a fall of 15 to 959p in BP in response to adverse Press comment emanating from the U.S. on the company's Alaskan pipeline venture and a reaction of 8 to 428p in Shell Transport which was accompanied by revived rumours of a "rights" issue. The FT-Actuaries Index for the subsection fell 2.1 per cent. to 355.92.

There were few features in second issues and the overall trend was undecided; falls were almost matched by rises in FT-quoted Industrials. However, the FT-Actuaries All-share Index eased 0.3 per cent. to 159.15. In contrast, Property shares encountered a useful selective demand, which was reflected in the FT-Actuaries index for the sector which recorded a rise of 0.5 per cent. to 163.84.

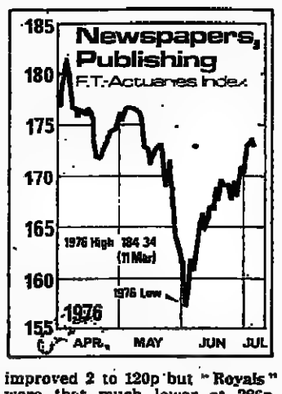
A continued interest in the long "tap," which eventually caused the Government Broker to withdraw his selling price of 95¼ for the Exchequer 13¼ per cent., 1996, stock failed to encourage the market in British Funds yesterday. Opening firmness in line with sterling was gradually relinquished and the medium/longs shed ¼, while marginal losses were also evident at the shorter end. Treasury 3¾ per cent., 1978-81, was the exception and rose 1/32 to 84 9/32 ahead of being quoted clean on Friday; dealings in the stock were thin. Fresh tightness in money market conditions contributed to the slightly easier tone among the shorts.

Trade improved slightly and rates for investment currency ranged between 110¾ and 112¾ per cent. before a close of 111¾ per cent., up ⅛ on the overnight premium level. Yesterday's SE conversion factor was 0.6801 (0.6821).

Discounts easier

Press comment on the disappointing interim statement brought about a further reaction of 3 to 220p in Alexanders Discount making a two-day fall of 10. Other issues lost ground in sympathy and Allen Harvey and Ross were 10 down at 360p in a thin market. Cater Ryder, 255p, Gillett Bros., 190p, and Union were all 5 lower, while Jessel Toynbee receded 4 to 64p. Up 6 Monday on news that Hambro Life has provisionally set July 19 as the date for its stock market flotation, Hambros improved a penny more to 185p in Merchant Banks. Dawnay Day hardened a shade more to 14p, still on the encouraging interim statement, but slight disappointment with the results left Manson Finance Trust a penny down at 35p. The big four Banks failed to attract much interest but managed to edge higher, Barclays ended 2 to the good at 277p as did Lloyds at 227p.

Small irregular price movements were the order of the day in Insurances after a minimal turnover. Commercial Union improved 2 to 120p but "Royals" were that much lower at 286p, after 284p.



Distillers remained friendless at 140½p, down 2½; the preliminary results are due Thursday week. Breweries generally eased on lack of support with Allied 1½ off at 70p and Arthur Guinness 2 cheaper at 134p, after 133p. Scottish and Newcastle softened a shade to 61p in front of to-day's results.

Buildings spent a quiet session. H. and R. Johnson-Richards Tiles continued firmly, rising 3 more to 213p (for a two-day gain of 11) on continuing speculation about the possible benefits from the changes in the Price Code. Bambergers, at 38p, recouped the previous day's loss of 2 which followed the preliminary figures, but Gough Cooper closed a penny cheaper at 55p on the first-half profits setback.

ICI hardened a penny to 371p. Elsewhere in Chemicals, Carless Capel and Leonard also improved a penny, to 59p, following the chairman's remarks on the company's prospects.

Television Contractors had an easier bias; Scottish "A" closing a fraction easier at 26½p and Ulster "A" losing 2 to 38p. Trident "A" finished a fraction off at 35½p despite substantially increased first-half profits.

Lee Cooper rise

Lee Cooper featured otherwise little-changed Stores, improving 13 to a 1976 peak of 95p on small buying in a restricted market. "Gussies" "A" were active and 2 harder at 185p, but UDS, 75p, and Marks and Spencer, 100p, both closed a penny cheaper. Audiotronics eased 2 to 37p as did Dixon's Photographic, at 65p. Among smaller-price issues, however, Polly Peck and Selincourt both closed ½ harder at 4½p and 9½p respectively. Booth International, 2 better at 36p, provided the only movement of note in Shoes.

Electrical leaders were inclined to ease slightly through lack of interest, although BICC managed to harden 2 to 113p. EMI closed 4 down at 238p, while GEC shed 2 to 158p and Plessey a penny to 78p. Secondary issues softened in places, with losses of 2 occurring in Muirhead, 114p, and Comet Radiovision, 44p.

Leading Engineerings reverted to overnight levels after having opened a shade higher, but a fair sprinkling of secondary features emerged. These included E. Chalmers which, on country buying, rose 3 to 33p, while L. Gardner, 140p, and Wolseley-Hughes, 112p, were both similarly better. Laird met with demand again following the subsidiary's large Hong Kong contract and closed 3 dearer at 62p. Still in reply to the interim figures and profit forecast, Herbert Morris improved 2 further to 116p, but Tex Abrasives lost 1 to a 1976 low of 30p after the lower profits. Lingering bid speculation lifted A. Cohen 5 to 120p and Fairey gained 3½ to 68½p, after 70p; the latter's results are expected later this month.

Foods had a couple of firm spots in J. Lyons, 3 better at 93p, following Pres comment on the full report, and Manbre and Garton, 7 higher at 142p with the help of "call" option business. Higher interim earnings took Glass Glover up 2 to 15p. Supermarkets edged higher, Lennons finishing 2 firmer at 33p and Hillards closing 3 better at 86p. Tesco held at 42p following the chairman's statement.

R. & G. Cuthbert up

Quiet conditions prevailed in the miscellaneous Industrial leaders, which generally stayed close to overnight levels. Reed International provided a dull spot at 252p, down 5, while Pilkington, in contrast, managed a gain of 5 at 336p. Elsewhere, R. and G. Cuthbert rose 5¾ to a peak for the year of 30½p on news that talks are in progress which may lead to an offer. Braby Leslie closed 6 higher at 73p, after 78p, in response to the good results and forecast rise in dividend accompanying "rights" offer proposals. The profits advance lifted R. Kelvin Watson 4 to 54p and the first-half profits upsurge raised D. Macpherson 2 to a high for the year of 58p. De La Rue followed the chairman's encouraging statement with a gain of 7 at 240p. Rises of around 7 also occurred in Dumbee-Combex-Marx, 182p, and Kleeman Industrial, 178p. Myson Group, 88p, and Tozer Kemsley and Millbourn, 56p, put on 3 apiece, but Hoover "A" shed 5 to 280p and James Warren relinquished 3 at 73p.

Dowty continued firmly, rising 4 more to 153p in active trading for a two-day gain of 7. Lucas moved between 216p and 219p before closing a penny better on balance at 218p. Kwik-Fit gave up 2 at 23p, but small buying in a thin market left Plaxtons (Scarborough) 4 to the good at 79p. Garages were again notable for a fresh improvement of a penny to 21p in BSG International. Lookers contrasted with a fall of 1½ to 26p.

Newspapers passed an idle session and while Thomson eased 2 to 264p, Bristol Post improved 2 to 67p on second-half results better than had been anticipated. Awaiting to-day' preliminary statement, Associated Newspapers remained at 95p. Paper/Printings were unchanged apart from Capseals which, on a revived small interest, rose 2 to 18p.

Alaska troubles BP

Revived comment in the U.S. Press of serious Alaska pipeline problems induced persistent small selling of British Petroleum, which fell 15 to a day's low of 595p. In the absence of any currency hedging (sterling was again on the upturn) Shell became affected and lost 8 to 428p, while Ultramar gave up 4 at 134p, talk of a pending "rights" issue accompanied the easiness in Shell. Elsewhere, Weeks Natural Resources shed 5 more to 70p, but International Oil picked up 3 to 25p. Investment currency influences steadied Royal Dutch, slightly harder at £38¼.

Buyers were showing increasing interest in Properties. Among the leaders, Land Securities improved 4 to 165p, Slough Estates 2½ to 80½p, and MEPC 2 to 71p, while British Land, 88p, and Town and City Properties, 13½p, hardened a penny apiece. Elsewhere, Chesterfield Properties, after advancing to a peak for the year of 157p, came back on profit-taking to 150p following news that Chesterfield Robson Group, an associated company, had disposed of a French property for a substantial profit; however, there was a subsequent fresh rise to 155p to leave a gain of 6 on the day. Haslemere Estates moved ahead 12p to 320p awaiting results, expected next Tuesday. Favourable Press lifted Penny higher at 10½p, Hammerson "A," 355p, and Property Holding and Investment, 240p, both gained 5, while improvements of 4 were recorded in Percy Bilton, 148p, Law Land, 55p, Stock Conversion, 174p, and London and Provincial Shop Centres, 56p. Intereuropean Properties, however, were an easier exception at 65½p, down 3.

The long-awaited DTI report on the affairs of Lourho contained nothing to dispel earlier market expectations that the company would be given a clean bill of health: the shares, already 6 up at 83p ahead of the report's release late yesterday, showed no further change afterwards. Elsewhere in Overseas Traders, speculative buying on take-over hopes lifted Jamaica Sugar 2 to 21½p.

Among Financial Trusts, Williams Hudson rose 3 to 18½p on relief that the Board's controversial capital write-down plans have been shelved. A dull market of late on the profits setback, Lamont cheapened 1½ to a 1976 low of 11p on news of the company's request for a Government probe into as associated concern.

Shippings had little to commend them. P & O Deferred eased a penny to 107p and James Fisher receded 2 to 108p.

Courtaulds gave an erratic performance in Textiles, moving between extremes of 136p and 131p before closing a net penny down on the day at 133p. Jackson and Steeple, at 20p, lost the previous day's gain of 4 in front of to-day's results and, in a thin market, John Haggas gave up 5 to 300p. Further consideration of the bid from William Reed (unaltered at 42p) prompted another penny improvement to 14p in William Uttley. Small selective buying left A. Beckman 3½ higher at 62p and Tern Consulate similarly better at 18p, while British Enkalon hardened 2 to 194p as did John Crowther to 30.

In front of to-day's results, Rothmans International encountered more interest and hardened a shade to 34p. Imps, which report interim figures to-morrow, touched 78p before closing unchanged on the day at 79p. Bats lacked support and shed 3 to 375p.

After an initial mark up by jobbers, Assam Dooars and Assam Frontier closed 2 and 6 higher respectively at the common level of 122p in Teas. One large buyer in a thin market helped McLeod Russel remain firm at 175p, up 3, making a two-day advance of 9. Singlo, on the other hand, eased a penny to 6p.

Quiet Mines

It was again an extremely quiet day in mining share markets. The modestly easier morning bullion fixing caused small selling of Golds from the Cape. Improvement in the b[illegible] in the afternoon, he[illegible] tended to rally on mod[illegible] buying but still close[illegible] balance. The Gold [illegible] lost two points to [illegible] bullion was finally 25 [illegible] $123.375 per ounce.

Among the heavywe[illegible] losses of ¼ were re[illegible] Vaal Reefs and Presi[illegible] at £13¼ and £11¾ [illegible] while in the lower p[illegible] falls of 10 were se[illegible] of Driefontein (670p), [illegible] (410p), Southvaal [illegible] Harmony (350p).

The overseas-based [illegible] were quietly mixed. [illegible] were ¼ better at £18¼ [illegible] fell ¼ to £15¼. In [illegible] based stocks Selection [illegible] up 10 to 470p, despite [illegible] man's confident stat[illegible] Tinto-Zinc declined [illegible] reflecting the weakne[illegible] Industrials.

Coppers moved [illegible] response to the hi[illegible] price. Minorco adv[illegible] 238p and Botswana [illegible] to 65p. In Platinums, [illegible] improved 2 to 116p fo[illegible] news that Impala [illegible] raising its platinum s[illegible] by $15 to $170 per ou[illegible] time being. Rustenb[illegible] remains at $163. Tins [illegible] following the further [illegible] in the metal price[illegible] and London.

Australians were m[illegible] ing the trend in over[illegible] markets. Poseidon ro[illegible] 15 to a year's high [illegible] Pancontinental lost ¼.

Elsewhere, Murchis[illegible] peak for the year of [illegible] closing unchanged on 950p.

FINANCIAL TIMES STOCK INDI[illegible]

—	July 6	July 5	July 2	July 1	June 30	Ju[illegible] 29
Government Secs.	62.97	63.05	63.06	63.06	62.87	62.
Fixed Interest	62.62	62.52	62.47	62.38	62.55	62.
Industrial Ordinary	390.3	392.5	389.5	386.5	383.8	37[illegible]
Gold Mines	147.4	149.4	148.1	147.3	152.2	14[illegible]
Ord. Div. Yield	5.62	5.60	5.64	5.67	5.71	5.
Earnings Yield % (full) (a)	15.99	15.83	15.94	16.06	16.12	16.
P/E Ratio (net) (a) (b)	9.33	9.37	9.30	9.24	9.20	9.
Dealings marked	4,992	4,180	4,339	3,725	3,765	3,7
Equity turnover £m.	—	37.90	51.46	44.13	38.86	34.
Equity bargains total	—	10,089	10,398	9,648	9,167	8,9

10 a.m. 393.3 11 a.m. 392.6 Noon 390.5 1 p.m. 389.4
2 p.m. 389.2 3 p.m. 390.4
Latest Index 01-246 8026.

(a) Based on 52 per cent. corporation tax. (b) Nil=8: Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1. Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1976 High	1976 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	65.21 (30/1/76)	60.19 (21/4/76)	127.4 (9/1/35)	49.16 (2/1/75)
Fixed Int.	64.46 (29/1/76)	59.75 (21/4/76)	150.4 (1/2/11)	50.53 (3/1/75)
Ind. Ord.	420.9 (4/2/76)	364.7 (26/4/76)	945.6 (19/7/72)	49.4 (26/6/40)
Gold Mines	246.9 (21/4/76)	140.1 (2/4/76)	442.5 (2/7/75)	43.5 (30/12/71)

S.E. ACTI[illegible]

—	Ju[illegible] 6
Dealings	
Gilt-Edged	179
Industrials	168
Speculative	37
Totals	113
5-day Average	
Gilt-Edged	158
Industrials	135
Speculative	36
Totals	95

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of The Financial Times, The Institute of Actuaries and The Faculty of Actuaries

	EQUITY GROUPS / GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section.)	Tuesday, July 6, 1976 Index No.	Day's Change %	Est. Earnings Yield % (Max. Corp. Tax 52%)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (net Corp. Tax 52%)	Est. P/E Ratio (nil Corp. Tax 52%)	Monday July 5 Index No.	Friday July 2 Index No.	Thurs. July 1 Index No.	Wed. June 30 Index No.	Year ago (approx.) Index No.	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (179)	145.13	+0.1	16.29	6.86	9.26	9.17	144.92	144.84	143.78	141.98	118.73	160.06 (21/4)	137.18 (2/6)	206.87 (4/5/72)	60.17 (13/12/74)
2	Building Materials (30)	128.46	+0.1	15.09	7.16	10.05	10.04	128.28	128.09	125.47	123.35	102.44	160.16 (15/1)	121.77 (23/6)	253.84 (2/5/72)	44.27 (11/12/74)
3	Contracting, Construction (23)	166.78	−0.6	20.66	5.90	7.64	7.64	167.82	168.35	166.17	166.06	218.65	260.20 (16/1)	154.26 (23/6)	389.53 (19/5/72)	71.46 (9/12/74)
4	Electricals (16)	271.91	−0.1	15.02	4.88	9.31	9.05	272.16	272.06	268.10	262.96	222.42	287.50 (21/4)	245.73 (2/6)	350.04 (4/5/72)	86.71 (20/6/67)
5	Engineering (Heavy) (13)	179.07	−0.1	22.15	6.77	7.04	7.04	179.34	180.05	177.05	175.52	139.60	193.18 (5/5)	151.58 (2/6)	301.17 (6/5/72)	94.43 (12/2/74)
6	Engineering (General) (63)	134.90	+0.4	15.02	5.81	9.35	9.32	134.37	134.14	131.70	132.11	103.36	149.29 (3/6)	125.48 (2/1)	166.69 (4/5/72)	45.14 (9/1/75)
7	Machine and Other Tools (9)	57.86	—	18.21	7.55	8.29	8.28	57.86	57.59	56.82	56.14	41.67	60.62 (3/6)	51.19 (2/1)	136.70 (4/5/72)	19.95 (13/12/74)
8	Miscellaneous (25)	129.39	−0.5	14.62	5.59	10.45	10.12	128.69	128.57	126.65	125.49	108.03	141.94 (11/6)	121.55 (2/1)	177.41 (27/4/72)	49.65 (6/1/75)
9	CONSUMER GOODS (DURABLE) (53)	125.49	−0.5	15.61	5.41	9.00	8.97	126.09	126.17	124.61	122.95	85.71	141.46 (21/4)	116.86 (2/6)	227.76 (21/4/72)	38.59 (6/1/75)
10	Lt. Electronics, Radio TV (15)	137.51	−0.6	14.66	4.07	10.03	10.01	138.34	138.87	136.62	133.96	100.52	160.36 (7/4)	126.75 (2/6)	257.41 (19/5/72)	42.65 (12/12/74)
11	Household Goods (13)	160.43	−1.2	19.09	7.44	7.98	7.96	162.43	162.87	162.38	161.31	128.08	187.22 (7/4)	150.43 (29/6)	260.22 (4/5/72)	69.92 (17/12/74)
12	Motors and Distributors (25)	79.60	—	18.62	6.67	8.15	8.10	79.85	79.25	78.29	77.94	45.78	85.16 (3/6)	70.05 (8/1)	170.59 (16/1/69)	18.91 (6/1/75)
13	CONSUMER GOODS (NON-DURABLE) (168)	148.97	−0.1	14.50	5.14	10.60	10.46	149.11	148.49	145.63	144.47	132.09	162.24 (4/2)	138.95 (2/6)	226.08 (16/5/72)	61.41 (13/12/74)
14	Breweries (15)	169.26	−0.5	13.65	6.67	10.97	10.97	170.19	169.22	162.76	161.81	133.59	179.48 (2/2)	147.99 (2/6)	281.87 (22/11/72)	69.47 (13/12/74)
15	Wines and Spirits (7)	171.05	−1.6	11.14	5.92	13.73	13.73	175.76	176.50	175.28	175.44	174.53	190.67 (5/5)	166.90 (2/6)	267.40 (15/7/72)	78.71 (13/12/74)
16	Entertainment, Catering (14)	178.99	−0.2	13.38	7.44	11.36	11.36	179.30	179.92	174.87	173.53	150.37	211.26 (8/1)	158.17 (2/6)	329.99 (12/12/72)	54.87 (19/7/74)
17	Food Manufacturing (22)	164.56	+0.3	16.14	5.36	9.41	9.35	164.33	163.64	161.48	159.34	145.53	179.44 (1/6)	157.35 (2/6)	211.68 (15/7/72)	99.78 (13/12/74)
18	Food Retailing (18)	156.71	+0.4	15.03	5.44	11.20	11.20	156.10	156.24	155.62	151.64	125.50	180.05 (12/1)	136.86 (2/6)	255.08 (16/8/72)	54.85 (11/12/74)
19	Newspapers, Publishing (16)	172.66	−0.4	12.07	6.00	12.73	12.73	173.38	173.00	170.55	170.88	130.12	184.34 (11/3)	157.01 (2/6)	250.29 (6/1/73)	65.08 (6/1/75)
20	Packaging and Paper (12)	100.99	−0.2	16.18	7.49	9.51	9.51	101.24	100.37	98.43	98.00	91.53	112.50 (26/2)	94.93 (2/6)	135.69 (26/4/72)	46.46 (6/1/75)
21	Stores (34)	119.58	+0.3	19.67	6.77	12.16	12.14	119.26	118.41	117.57	116.34	108.51	136.24 (2/2)	113.17 (2/6)	204.39 (16/8/72)	52.63 (6/1/75)
22	Textiles (23)	151.23	−0.9	10.25	7.39	13.91	11.43	152.66	152.10	150.05	149.05	135.66	163.12 (30/1)	141.90 (2/6)	253.72 (17/9/68)	62.66 (11/12/74)
23	Tobaccos (3)	228.85	−0.1	19.05	5.19	8.00	8.00	229.10	227.12	220.07	218.15	193.64	241.69 (8/6)	211.56 (2/6)	339.18 (26/5/72)	94.34 (16/6/62)
24	Toys and Games (6)	77.90	+1.6	15.79	7.06	7.41	7.41	76.70	76.10	74.96	73.00	40.49	78.73 (11/5)	59.13 (2/1)	136.72 (16/1/69)	20.92 (6/1/75)
	OTHER GROUPS (96)															
25	Chemicals (26)	218.45	—	11.40	5.16	12.20	12.20	218.47	216.42	212.06	211.27	148.56	231.58 (3/6)	199.46 (8/1)	251.58 (3/6/76)	71.20 (1/12/74)
26	Office Equipment (9)	94.39	+0.2	12.30	5.49	11.79	11.79	94.24	93.81	92.58	92.61	86.36	100.16 (19/5)	85.09 (2/1)	246.06 (1/9/72)	45.54 (2/1/75)
27	Shipping (12)	378.05	+0.1	13.17	5.81	11.02	10.01	377.55	376.85	370.09	366.59	344.45	432.64 (30/1)	358.52 (19/5)	517.00 (6/12/72)	90.80 (29/6/62)
28	Miscellaneous (49)	155.99	−0.1	14.59	7.12	10.40	10.40	156.14	155.72	152.76	151.59	135.86	172.86 (21/4)	146.45 (2/6)	258.85 (3/5/72)	60.39 (6/1/75)
29	INDUSTRIAL GROUP (496)	153.50	—	14.38	6.05	10.37	10.26	153.56	152.99	150.58	149.08	129.18	166.88 (5/3)	143.88 (2/6)	220.17 (1/6/72)	59.01 (13/12/74)
30	OILS (4)	355.92	−2.1	12.02	4.81	9.61	8.90	363.68	362.75	365.54	360.42	291.82	396.64 (30/6)	341.34 (14/5)	435.56 (29/5/69)	97.33 (29/5/62)
31	300 SHARE INDEX	170.34	−0.4	14.01	5.82	10.34	10.02	170.88	170.38	167.89	166.40	142.59	186.00 (3/3)	161.90 (2/6)	227.95 (16/8/72)	55.49 (13/12/74)
32	FINANCIAL GROUP (100)	127.37	−0.2	—	5.85	—	—	127.65	127.37	125.84	125.03	126.37	135.46 (5/2)	116.02 (2/6)	243.42 (1/6/72)	55.88 (13/12/74)
33	Banks (6)	155.07	+0.4	19.97	5.46	7.70	7.70	154.48	154.46	155.68	151.66	149.57	192.15 (26/1)	146.28 (2/6)	288.32 (20/7/72)	62.44 (12/12/74)
34	Discount Houses (10)	161.85	−0.6	—	8.64	—	—	162.83	161.70	159.50	156.11	148.55	186.52 (5/1)	147.90 (2/6)	285.13 (2/5/72)	51.40 (13/12/74)
35	Hire Purchase (5)	91.77	+0.3	—	7.08	—	—	91.50	91.97	91.36	91.36	81.94	132.10 (22/2)	89.16 (24/6)	433.72 (4/5/72)	38.83 (11/12/74)
36	Insurance (Life) (9)	107.22	−0.9	—	6.66	—	—	108.19	108.19	106.60	103.61	110.93	129.46 (30/1)	95.91 (2/6)	194.46 (15/5/72)	44.88 (3/1/75)
37	Insurance (Composite) (7)	88.17	−1.2	—	7.15	—	—	89.37	89.28	88.39	84.59	101.72	119.78 (30/1)	92.03 (10/6)	156.76 (21/4/72)	43.96 (13/12/74)
38	Insurance (Brokers) (9)	246.46	−0.2	10.01	4.49	14.76	14.76	246.89	245.68	241.81	239.86	195.45	276.90 (11/3)	218.26 (6/1)	276.90 (1/6/76)	65.86 (16/12/74)
39	Merchant Banks (16)	75.09	+0.5	—	7.66	—	—	72.88	72.18	72.22	71.68	69.69	93.83 (2/1)	69.72 (2/6)	278.57 (1/6/72)	51.21 (7/1/75)
40	Property (32)	163.48	+0.5	3.48	3.26	34.10	34.93	162.65	161.87	158.73	154.94	176.49	194.57 (30/1)	144.37 (2/6)	357.40 (8/11/73)	56.01 (20/4/65)
41	Miscellaneous (6)	69.12	—	18.56	8.93	8.54	8.54	69.12	69.18	69.01	69.94	70.60	91.98 (5/2)	69.01 (1/7)	303.13 (18/5/72)	35.29 (17/12/74)
42	Investment Trusts (50)	153.42	+0.2	3.48	4.90	29.88	29.88	153.09	152.04	151.70	151.33	156.69	184.55 (30/1)	141.96 (2/6)	245.79 (26/4/72)	71.60 (13/12/74)
43	ALL-SHARE INDEX (650)	159.15	−0.5	—	5.78	—	—	159.66	159.11	157.03	155.41	139.52	172.64 (30/1)	150.99 (2/6)	285.18 (1/6/72)	61.92 (13/12/74)
	COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44	Rubbers (9)	475.07	−0.6	9.54	5.86	15.30	13.97	478.11	477.53	477.53	475.76	432.81	523.40 (7/5)	404.67 (14/1)	555.57 (26/7/74)	84.68 (20/6/62)
45	Teas (8)	142.43	+1.3	29.58	5.52	5.59	4.43	140.64	139.57	139.57	138.64	101.31	142.43 (6/7)	117.89 (2/1)	142.43 (6/7/76)	59.72 (17/10/74)
46	Coppers (3)	245.94	—	40.18	5.98	2.48	2.49	245.94	238.97	230.76	229.34	381.99	301.47 (7/1)	178.95 (2/6)	583.78 (13/7/73)	94.08 (29/4/62)
47	Mining Finance (11)	104.45	−0.1	10.18	4.83	11.10	11.02	104.51	103.82	103.92	102.72	130.82	119.77 (7/1)	86.18 (2/6)	175.90 (28/4/69)	66.31 (30/9/74)
48	Tins (8)	113.90	+0.2	11.31	7.96	13.27	12.58	113.71	113.66	113.33	111.67	97.43	115.14 (10/5)	86.09 (9/1)	125.43 (12/1/73)	54.83 (27/9/71)
49	Overseas Traders (13)	227.56	+1.4	14.57	4.54	8.93	8.92	224.38	224.53	222.74	222.58	221.06	254.47 (3/5)	222.58 (30/6)	254.47 (3/5/76)	97.37 (6/1/75)

FIXED INTEREST	Tuesday, July 6 Index No.	Yield %	Monday July 5	Friday July 2	Thursd'y July 1	Wed. June 30	Tuesday June 29	Monday June 28	Friday June 25	Year ago (approx.)	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1 Consols 2½% yield	—	13.80	13.79	13.78	13.78	13.87	13.86	13.95	13.94	14.00	—	—	—	—
2 20-yr. Govt. Stocks (6)	49.43	13.16	49.57	49.55	49.58	49.32	49.31	49.21	49.14	48.85	53.45 (5/1)	47.56 (2/1)	115.42 (11/8/65)	38.27 (5/1/75)
3 20-yr. Red. Deb. & Loans (15)	50.69	14.58	50.68	50.63	50.58	50.58	50.56	50.56	50.78	46.45	52.40 (21/5)	46.68 (2/1)	115.45 (23/10/65)	37.01 (5/1/75)
4 Investment Trusts Prefs. (15)	50.02	15.84	49.55	49.31	49.23	49.23	49.08	48.86	48.67	43.95	51.23 (12/5)	45.43 (7/6)	114.41 (13/9/65)	34.45 (6/12/74)
5 Coml. and Indl. Prefs. (20)	68.45	13.74	68.03	67.92	67.80	67.37	67.20	67.12	66.93	61.59	71.97 (2/2)	62.76 (2/1)	114.95 (7/10/65)	47.67 (6/1/75)

Section or Group	Base Date	Base Value
Overseas Traders	31/12/74	100.00
Engineering (Heavy)	31/12/71	153.94
Engineering (General)	31/12/71	153.84
Wines and Spirits	16/1/70	144.76
Toys and Games	16/1/70	135.72
Office Equipment	16/1/70	162.74
Industrial Group	31/12/70	128.20
Miscellaneous Financial	03/1/70	128.06
Food Manufacturing	29/12/67	114.13
Food Retailing	29/12/67	114.13
Insurance Brokers	29/12/67	96.67
Mining Finance	29/12/67	100.00
All Other	10/4/62.	100.00

‡ Redemption yield. FT-Actuaries Indices are calculated by Extel Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By post 20p.

A record of the indices, cost £30, is obtainable from FT Business Enterprises Ltd, Bolt Court, London, EC4. It gives all group and sub-section indices at fortnightly intervals since the start of the series in 1962 with quarterly highs and lows. Dividend and earnings figures are also included.

CONSTITUENT CHANGE: Arragon Property has been replaced by Mucklow (A. & J.) Group (Property).

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1976 high	1976 low
BP	£1	15	595	−15	685	375
Shell Transport	25p	13	428	− 8	462	378
ICI	£1	12	371	+ 1	402	328
Bats	25p	10	375	− 3	410	342
Marks & Spencer	25p	9	100	− 1	108	88
Reckitt & Colman	50p	9	360	− 3	363	313
Pilkington	£1	8	336	+ 5	348	203
Unilever	25p	8	464	—	500	428
Barclays Bank	£1	7	277	+ 2	330	263
Burmah Oil	£1	7	42	− 2	53	31
Distillers	50p	7	140½	− 2½	138	139
Dunlop	50p	7	79	− 1	98	69
GEC	25p	7	158	− 2	168	142
Lonrho	25p	7	83	+ 6	109	73
Lyons (J.)	£1	7	93	+ 3	142½	83

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e).

Option Report—3-month Call Rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
July 6	July 10	Sep. 30	Oct. 12
July 20	Aug. 2	Oct. 14	Oct. 26
Aug. 3	Aug. 16	Oct. 28	Nov. 9

"Calls" were dealt in J. Lyons, Burmah Oil, Lonrho, 600 Group, B.P., Anglo-Continental, Lesney Products, L. Gardner, S. Osborn, Stone-Platt, National Westminster Bank Warrants, Shell Transport, ICI, Peachey Property, Intereuropean Properties, Cavenham Warrants and Manbre and Garton, while "doubles" were arranged in A.D. International and British Land.

Industrials		Ultramar	14	Sutlers	4	Shell	37
A.P. Cement	16	G.K.N.	26	Tesco	4	Ultramar	14
Assoc. Leisure	5	Hawker Sidd.	55	Thorn "A"	22		
Barclays Bank	8	House of Fraser	8	Tube Invest.	27

هكذا من الأصل

AUTHORISED UNIT TRUSTS

Brandts Ltd.♥
30, Fenchurch St., E.C.3. 01-626 6539

Brandts Cap.	93.0	100.0	.....	2.10
Do. Accum.	104.0	111.0	.....	2.28
♦Brandts Inc	114.0	121.0	.....	7.12

Next sub. day July 6.

Bridge Tailisman Fd. Mgrs.♥ (a)(c)
3-6, Mincing Lane, E.C.3. 01-623 4681

BT Income	181.0	195.0	+7.0	8.07
BT Capital Inc	25.2	26.9*	.....	4.31
BT Capital Acc.	26.2	27.9	.....	4.31
BT Exempt	86.0	91.0	.....	4.49
BT Intl. Inc.	13.2	14.2	.....	3.22
♦BT Intnl Acc.	13.2	14.0	.....	3.22

*Prices on June 29. Next sub. day July 5.

The British Life Office Ltd.♥ (a)
Reliance Hse., Tunbridge Wells, Kt. 0892 22271

BL British Life	41.3	43.7	.....	5.24
BL Balanced*	34.7	37.1	+1.5	5.40
BL Capital*	32.2	34.5	+1.0	4.87
BL Dividend*	32.6	34.9	+0.5	7.52

*Prices on July 7. Next dealing July 14.

Brown Shipley & Co. Ltd.♥(x)(c)
Mngrs: Founders Ct., EC2. 01-600 8520

BS Units*	182.7	188.7	.....	5.80
Do. (Accum.)*	178.5	187.4	.....	5.80
BS Exempt June 30	94.5	99.5	+1.1	6.48

Prices on July 6. Next sub. day July 13.

Canada Life Unit Tst. Mngrs. Ltd.♥
2-6 High St., Potters Bar, Herts. P. Bar 51122

Can. Gen Dist.	38.7	32.3	-0.1	4.40
Do. Gen. Accum.	35.0	36.9	-0.1	4.40
Do. Inc. Dist.	27.7	29.2	.....	8.32
Do. Inc. Accum.	32.3	34.0	.....	8.32

Capel (James) Mngt. Ltd.♥
100 Old Broad St., EC2N 1BQ 01-588 6010

Capital	61.6	64.9*	-0.2	3.99
Income	54.9	57.8	+0.2	6.95

Prices on July 7. Next dealing July 21.

Cartiol Unit Fd. Mgrs. Ltd.♥ (a)(c)
Milburn House, Newcastle-upon-Tyne 21165

Cartiol	35.2	37.7	.....	3.87
Do. Accum. Units	42.4	45.1	.....	3.87
Do. High Yield	28.7	31.7	.....	9.65
Do. Accum. Units	32.2	34.2	.....	9.56

Next dealing July 14.

Charterhouse Japhet♥
1, Paternoster Row, EC4. 01-248 3999

C.J. Intern'l	24.3	25.8	.....	2.25
Accum. Units	27.0	22.9	.....	2.25
C.J. Income	28.5	30.4	.....	9.69
C.J. Euro. Fin	25.4	27.2	.....	2.85
Accum. Units	29.8	31.7	.....	2.85
C.J. Fd. Inv. Tst.	20.2	21.6	.....	1.72
Accum. Units	22.8	23.6	.....	1.72

Prices on June 30. Next dealing July 7.

Confederation Funds Mgt. Ltd.♥ (a)
120 Regent St., W1R 6AY. 01-437 9040

Growth Fund	26.3	25.0	.....	6.40

Cosmopolitan Fund Managers.
58 Copthall Ave., London EC2P.
01-628 2222, 01-638 1589

Cosmopol. Gth. Fd.	15.2	16.3	+0.1	5.12

Cayne Investment Mgmt. Ltd.
72-80, Gatehouse Rd., Aylesbury 0296 5941

Cayne Growth	10.3	10.7	+0.1	5.07

Crescent Unit Tst. Mgrs. Ltd. (a) (g)
4 Melville Cres., Edinburgh 3. 031-226 4931

Crescent Growth	21.1	22.6	+0.1	4.23
Cres. Interest*	44.8	48.0	-0.1	1.89
Cres. High. Dist.	36.3	37.8	.....	8.49
Cres. Reserves	31.3	32.7	.....	4.16

Discretionary Unit Fund Managers
22, Bloomfield St., EC2M 7AL. 01-638 4685

Discty. June 25	94.0	99.3	.....	4.94
Do. 'A' Accum.	129.4	136.6	.....	4.94

Equitas Secs. Ltd. (a) (g)
41 Bishopsgate, EC2 01-588 2351

Progressive	51.9	54.3	+0.3	4.55

Equity & Law Un. Tr. Mgrs. (a)(b)(c)
Amersham Rd., High Wycombe. 0494 32277

Equity & Law	39.1	34.8*	+0.1	4.43

Framlington Unit Mgt. Ltd.(a)
5-7, Ireland Yard, EC4P 2BQ. 01-248 9077

Capital Tst.	28.6	41.3	.....	5.00
Income Tst.	26.4	28.2	.....	7.38

Friend's Provdt. Unit Tr. Mgrs.♥
Pixham End, Dorking. 0306 5055

Friends Prov. Uts.	28.9	30.7	+0.1	4.91
Do. Accum.	28.8	30.6	+0.1	4.91

G.T. Unit Managers Ltd.♥
16, St. Martins-le-Grand, EC2. 01-600 9461

G.T. Cap. Inc	61.4	65.3	+0.1	2.80
Do. Acc	70.8	74.9	..	2.80
G.T. Inc. Fd. Un.	107.7	114.5	+0.5	8.70
G.T. U.S. & Gen	151.5	179.8	+1.8	1.70
G.T. Japan & Gen	205.9	219.0	+3.2	1.10
♦G.T. Pens. Ex. Fd.	129.6	138.0	+4.7	2.98
G.T. Int'l. Fund	93.7	99.6	-0.4	1.90

G. & A. Tst. (a) (G)
5, Rayleigh Rd., Brentwood. (0277) 227300

G. & A.	25.1	26.9	+0.4	5.97

Gartmore Fund Managers♥(a)(g)
2, St. Mary Axe, EC3A 8BP. 01-283 3531

(r)American Tst	25.3	27.2	.....	2.69
British Tst. (Acc.)	35.2	37.9	+0.1	3.94
Capital Fund	121.3	129.8	+0.5	3.69
High Income Tst.	39.4	42.4	-0.1	10.23
Income Fund	48.9	52.4	+0.1	8.34
Int. Agencies	112.77	113.73	-0.01	3.16
Intl. Exempt Fd.	80.8	86.9	-0.1	5.92
(r)Int. Tst. (Acc.)	29.0	31.2	+0.1	2.43

Dealing *Tues. †Wed.

Gibbs (Antony) Unit Tst. Mgs. Ltd.
23, Bloomfield St., EC2M 7NL. 01-588 4111

(a) A.G. Income*	24.2*	25.9	.....	11.00
(a) A.G. Growth†	23.5	25.1	+0.5	5.90
(a)A. G. Far East*	24.9	26.6	.....	0.30

Dealing *Tues. †Wed.

Govett (John)♥
77, London Wall, E.C.2 01-588 5620

Stockhlr. July 2	116.1	123.6	.....	1.68
Do. Accum. Unit	129.1	136.0	.....	1.68

Next dealing day July 16.

Grieveson Management Co. Ltd.
50 Gresham St., EC2P 2DS. 01-606 4433

Barton June 30	159.7	167.3	.....	4.49
(Accum. Units)	183.4	171.2	.....	4.49
Eng. H.Yd. July 1	122.2	128.0	.....	9.63
(Accum. Units)	123.1	131.0	.....	9.63
Endeavour 1 July 6	143.4	171.2	+2.8	3.23
G'chstr. July 6	96.0	100.4	.....	2.95
Ln. Brst. June 30	44.0	49.8	.....	5.07

Guardian Royal Ex. Unit Mgrs. Ltd.
Royal Exchange, EC3P 3DN. 01-628 8011

(a) Guardhill Tst.	68.7	71.3	+0.1	4.71

Henderson Administration
Premier U.T. Admin., Burleigh Road, Brentwood, Essex. 0277 227300.

(r)Australian	40.1	42.9	+0.3	3.15
(r)Cap. Accum.	27.9	29.9	+0.3	4.02
(r)Europe	22.2	24.3	+0.2	2.46
(r)Far East	53.2	56.9	+0.7	1.62
(r)Intern. & NTU	20.1	21.4	+0.2	4.18
Group June 30	109.8	115.3	.....	3.66
(r) High Income	38.7	41.4	+0.2	10.24
(r)Inc. & Assets	23.3	25.1	.....	7.72
(r)International	23.6	25.1	.....	2.65
(r)Nth. American	41.0	43.8	.....	2.14
(r)Oil Nat. Res.	24.2	25.8	-0.1	3.42
Worldwide Growth	54.4	57.8	.....	1.95

11, Austin Friars, EC2N 2BD

Cabot June 30	41.9	45.9	.....	4.70

*For tax exempt funds only

Hill Samuel Unit Tst. Mgrs.† (a)
45 Beech St., EC2P 2LX 01-628 8011

(b) British Trust	122.3	129.8	-0.3	5.47
(g) Int'l Trust	33.1	36.2	.....	2.84
(c) Dollar Trust	67.7	72.8	-0.1	2.77
(b) Capital Trust	23.3	25.0	+0.1	5.32
(b) Financial Trust	72.9	78.0	+0.4	4.69
(b) Income Trust	21.3	22.8	+0.1	6.98
(b) Security Trust	41.7	44.7	.....	5.85
(b) High Yield Tst.	21.4	22.9xd	+0.1	8.64

Intel.♥ (a) (g)
15, Christopher Street, E.C.2. 01-247 7243

Intel. Inv. Fund	77.2	83.0xd	.....	4.50

Ionian Unit Tst. Mngmnt. Ltd.♥
64, Coleman Street, E.C.2. 01-638 5068

Ionian Foreign*	81.0	88.0	.....	2.27
Ionian Growth*	114.9	122.0	.....	4.53
*Ionian Inc. Fd.†	79.0	84.0	.....	11.54

*Next dealing July 8. **July 15. †July 22.

Key Fund Managers Ltd. (a) (g)
25, Milk St., EC2V 8JR
01-606 7070

Key Capital Fund	50.0	53.1	+0.1	4.61
Key Energy In. Fd.	54.3	57.7xd	.....	3.96
♦Key Energy Fd.	74.5	84.0xd	.....	7.15
Key Income Fund	54.4	57.8xd	+0.2	8.05
Key P.I.P.	56.9	60.2	+0.1	4.97
Key Fixed Int. Fd.	49.3	52.4	-0.6	13.90

Kleinwort Benson Unit Managers♥
20, Fenchurch St., E.C.3. 01-623 8000

K.B. Unit Fd. Inc.	58.0	63.3	.....	5.20
♦K.B. Unit Fd. Ac.	67.3	73.4	.....	5.20

L & C Unit Trust Management Ltd.♥
The Stock Exchange, EC2N 1HP. 01-588 2800

L&C Inc. Fd.	96.0	99.0	.....	8.21
L&C Intl & Gen Fd.	85.0	87.0	.....	3.32

Lawson Securities Ltd. (a)(c)♥
67 George St., Edinburgh EH2 2JG. 031-226 3911

♦Raw. Materials	24.6	26.7	.....	0.00
(Accum. Units)	24.6	26.7	.....	0.00
♦Growth Fund	59.9	65.9	+1.6	3.90
♦(Accum. Units)	62.3	68.5	+1.6	3.90
††Gilt and Warrant	27.1	30.2	+0.4	2.80
‡American Fd.	24.1	28.3	.....	1.50
‡(Accum Units)	24.4	28.6	.....	1.50
**High Yield	39.3	41.0	.....	12.70
**(Accum. Units)	44.2	48.4	.....	12.70

Deal. 2Mon. *Tues. †Wed. ‡Thurs. **Fri.

Legal & General Tyndall Fund♥
18, Canynge Road, Bristol. 0272 32241

Dis. June 6	43.4	45.8	.....	5.92
(Accum. Units)	50.4	53.4	.....	5.92

Next sub. day July 14.

Leonine Administration Ltd.
28 Throgmorton Street, EC2 2AN. 01-336 1171

Leo Dist.	49.5	52.2	.....	7.58
Leo Accum.	50.8	53.5	.....	7.48

Lloyds Bk. Unit Tst. Mngrs. Ltd.♥(a)
Registrar's Dept., Goring-by-Sea, Worthing, West Sussex. 01-623 1289

First (Balanced)	40.2	43.2	+0.1	4.78
Do. (Accum.)	51.8	55.7	+0.2	4.78
Second (Cap.)	43.3	46.5xd	.....	3.31
Do. (Accum.)	51.7	55.5	+0.1	3.31
Third (Income)	65.0	69.8	+0.2	6.73
Do. (Accum.)	80.7	86.7	+0.2	6.73
Fourth (Extra Inc.)	65.5	68.9	+0.2	8.86
Do. (Accum.)	86.3	89.7	+0.2	8.86

Lloyd's Life Unit Tst. Mngrs. Ltd.
72-80, Gatehouse Rd., Aylesbury. 0296 5941

Equity Accum.	104.8	118.4	.....	5.41

London Wall♥(a)(g)
1, Finsbury Square, EC2A 1PD.
Unit Dealing: 18, Canynge Rd., Bristol
BS99 7UA. 0272 32241

Capital Priority	28.9	29.8	+0.4	5.16
Extra Inc. Growth	25.0	26.8	.....	11.13
Do. Accum.	25.0	26.8	.....	11.13
Financial Priority	13.0	13.9	+0.2	4.43
Do. (Accum.)	14.7	15.7	+0.2	4.43
High Inc. Priority	41.2	44.0	+0.1	9.33
London Wall Int.	25.6	27.3	.....	2.23
Special Sits	17.7	18.9	+0.1	4.64
Stronghold Units	28.9	30.9	+0.2	5.45

M & G Group♥ (y) (c) (z)
Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588

See also Stock Exchange Dealings.

American Acc.	42.4	45.2	+0.3	2.38
Australasian Acc.	26.5	27.2	+0.7	2.61
Commodity	52.9	56.3	.....	4.99
Compound Acc.	72.7	77.1	+0.2	3.96
Conversion Growth	47.7	50.4	+0.3	7.70
Dividend	83.3	88.3xd	+0.3	8.59
(Accum. Units)	140.8	149.3	+0.5	8.59
European Acc.	47.1	50.2	+0.1	4.31
Extra Yield	38.3	41.0	+0.2	10.87
(Accum. Units)	49.2	52.5	-0.2	9.87
Far Eastern	40.6	43.2	+0.1	2.95
(Accum. Units)	41.9	44.7	+0.1	2.95
Fund of Inv. Tsts.	41.2	43.9	+0.1	3.25
(Accum. Units)	51.9	55.5	+0.3	3.25
General	127.7	136.6xd	.....	5.90
(Accum. Units)	182.8	195.6	+0.1	5.90
High Income	65.1	69.8xd	+0.3	9.98
(Accum. Units)	102.0	109.4	+0.4	9.98
Japan Acc.	126.9	135.2	+0.3	1.24
Magnum	170.4	176.9	+0.8	4.30
(Accum. Units)	208.6	216.6	+1.0	4.30
Midland	102.6	109.0	+0.5	8.15
(Accum. Units)	152.8	162.0	+0.6	8.15
Recovery Acc.	143.0	151.6	+0.3	7.01
Second	118.8	125.9xd	+0.1	5.84
(Accum. Units)	143.1	174.0	+0.1	5.84
Special Sits.	67.7	73.8	+0.2	5.84
(Accum. Units)	163.6	178.9	+0.3	5.84

Specialised Funds

Trustee	161.9	177.5	+0.5	7.19
(Accum. Units)	176.0	193.7	+0.8	7.19
Charlemagne July 6	117.1	119.9	+3.0	7.76
(Accum. Units)	129.7	132.8	+3.7	7.76
Pension Fe. Jun. 21	97.0	103.3	.....	5.90

ManuLife Management Ltd.♥
P.O. Box 21, Stevenage. 0438 58101

Growth Units	36.7	38.6	.....	4.30

Mercury Fund Managers Ltd.
30, Gresham St., EC2P 2XB. 01-600 4535

Merc. Gen. July 7	115.4	122.7	+3.6	5.35
Acts. Uts. July 7	130.7	148.1	+4.3	5.39
Merc. Int. July 7	67.5	71.8xd	-0.2	3.61
Acc. Uts. July 7	69.1	73.5	-0.2	3.61

Midland Bank Gp.
Un. Tst. Mgrs. Ltd.♥(a)
Courtwold House, Silver Street, Head, Sheffield.
St. 3207. Tel: 0742 73942

Commodity & Gen.	44.3	47.4	.....	6.55
Do. Accum.	46.3	49.8	.....	6.55
Growth	34.6	36.8xd	.....	2.68
Do. Accum.	35.4	37.7	-0.1	2.68
Capital	23.7	25.2xd	.....	3.13
Do. Accum.	24.5	26.1	.....	3.13
Income	37.9	40.3	+0.1	6.38
Do. Accum.	38.9	41.4	+0.1	6.38
International	47.0	50.0xd	-0.1	2.39
Do. Accum.	48.3	51.4	-0.1	2.39

Minster Fund Managers Ltd.
Minster Hse., Arthur St., E.C.4. 01-623 1050

Minster Fund	26.3	28.0	.....	3.15
Do. Exempt	42.4	44.4	.....	5.90

MLA Unit Trust Mgemnt. Ltd.
Old Queen Street, SW1H 9JG. 01-930 7332

MLA Units	25.7	27.0	+0.1	4.63

Mutual Unit Trust Managers♥(a)(g)
15, Copthall Ave., EC2R 7BU. 01-606 4803

Mutual Sec. Plus	41.0	44.0xd	.....	5.73
Mutual Inc. Tst.	50.9	54.5	-0.1	7.41
Mutual Blue Chip	35.1	38.5	.....	6.15
Mutual High Yld	44.5	48.3	+0.1	9.25

National Provident Inv. Mngrs. Ltd.♥
48, Gracechurch St., EC3P 3HH 01-623 4300

N.P.I. Gth. Un. Tst.				
(Accum. Units)*	39.9	42.5	.....	4.28
(Distribution Un.)**	34.9	37.2xd	.....	4.28
NPI Quasi. Trust				
(Accum. Units)**	133.0	140.8	.....	3.61
(Distr. Units)**	129.5	137.1	.....	3.61

*Prices on June 30. Next dealing July 14.
**Price at June 24. Next dealing day July 28.

National Westminster♥ (a)
41, Lothbury, EC2P 2BP 01-606 6044

Capital (Accum.)	85.3	91.0	-0.1	4.25
Income	48.2	51.4	.....	6.62
Financial	30.7	32.7xd	.....	4.43
Growth Inv.	41.9	47.4xd	+0.8	4.42
Extra Inc.	54.5	58.2	.....	7.56

NEL Trust Managers Ltd. ♥ (a)(g)
Milton Court, Dorking, Surrey. 0811
Nelstar 32.9 35.4 -0.1 4.37

New Court Fund Managers Ltd. (g)
72-80, Gatehouse Rd., Aylesbury. 0296 5941

N. C. Equity Fund	131.0	139.1	.....	3.27
N. C. Income Fd.	112.9	120.1	+0.3	7.64
N. C. Internat. Fd.	85.2	92.6	-0.1	2.02
N. C. Smll. Co. Fd.	106.1	107.4	-0.3	5.27

Norwich Union Insurance Group
P.O. Box 4, Norwich, NR1 3NG. 0603 22200

Gp.Tst.Fd. June 30	215.4	226.7	.....	6.17

Oceanic Managers (a) (z)
15, St. St. Thomas Apostle. 01-236 8001

♦Oceanic Eqm'ps. Fd	40.8	42.4xd	.....	4.21
Financial	24.3	25.8	+0.3	3.98
General	16.4	17.4	+0.2	2.16
Growth Accum.	33.4	35.4	+0.3	2.16
Growth Income	26.9	28.5	+0.2	5.18
High Income	21.7	24.5	+0.1	9.61
I.T.O.	15.6	16.6	+0.2	3.50
Index	18.3	20.0xd	.....	3.66
Overseas	23.3	23.9xd	.....	1.79
Performance	39.7	42.3	+0.7	4.84
Recovery	15.3	16.2xd	.....	4.75

Pearl Trust Managers Ltd. (a) (g) (z)
208 High Holborn, WC1V 7EE 01-405 8441

Pearl Growth Fd.	19.8	21.3	+0.1	4.60
Accum Units	22.0	23.7	.....	4.60
Pearl Inc.	25.2	27.1	.....	4.86
Pearl Unit Tst.	28.6	30.8xd	.....	4.81
(Accum. Units)	34.5	37.2	+0.1	4.81

Pelican Units Admin. Ltd.(g)(x)
1 Fountain St., Manchester 061-236 5025

Pelican Units	56.4	59.2	.....	5.79

Perpetual Unit Trust Mngmt.♥ (a)
48 Hart St., Henley on Thames 04912 6868

PerpetualGp.Gth.	107.0	114.3	.....	3.70

Piccadilly Unit T. Mgrs. Ltd.♥ (a)(b)
65, London Wall, EC2. 01-638 0001

Extra Income	27.5	29.2	+0.1	10.62
Income & Growth	25.4	27.4	.....	4.74
Portfolio Capital	33.8	36.4xd	+0.1	3.85
Port. Growth & Inc.	47.5	51.0xd	+0.2	5.10
Port. Private	23.3	25.4	+0.1	4.25
Shenley Port.	62.2	66.8	+0.4	4.49

Practical Invest. Co. Ltd.♥(y)(c)
Europe Hs., Wld. Tr. Centre, E1. 01-623 2803

Practical June 30	109.0	118.2	.....	4.44
Accum. Units	144.8	157.1	.....	4.44

Provincial Life Inv. Co. Ltd.♥
222, Bishopsgate, E.C.2. 01-247 8333

Prolife Units	66.4	71.1	.....	2.04
High Income	74.5	79.8	+0.1	8.55

(c)Prudl. Unit Tst. Mngrs.♥(a)(b)
Holborn Bars, EC1N 2NH. 01-405 9222
Prudential 48.0 48.5 ..... 4.82

Quilter Management Co. Ltd.♥
The Stk. Exchange, EC2N 1HP. 01-600 4177

Quadrant	95.1	97.1	.....	4.48

Reliance Unit Mgrs. Ltd.♥
Reliance Hse., Tunbridge Wells, Kt. 0892 22271

Opportunity Fd.	41.4	44.3	+0.4	5.12

Remigium Management Ltd.♥
City-Gate Hs., Finsbury Sq., EC2. 01-606 1066

Remgm Secs. Fd.	117.5	121.0	.....	4.04

Next sub. day July 6.

Rothschild. & Londs. Mgrs. Ltd. (a)
St. Swithin's Lane, Ldn., EC4. 01-626 4356

New Ct. Exempt	108.0	112.0	.....	3.42

Prices on June 15. Next dig. July 15

Rowe & Pitman Management Ltd.♥
City-Gate Hs., Finsbury Sq., EC2. 01-606 1066

Rowan Inc. Fd.	68.9	73.0	.....	2.99

Next sub. day July 13.

Royal Tst. Can. Fd. Mgrs. Ltd.
54, Jermyn Street, S.W.1. 01-629 8262

Capital Fund	63.3	66.7	.....	3.95
Income Fund	68.5	67.4	.....	7.08

Prices at June 30. Next dealing July 13.

Save & Prosper Group Ltd.
4, Great St. Helens, London EC3P 3EP.
Enskine House, 60-75 Queen Street, Edinburgh EH2 4NX
Dealings tel: 01-554 8899 or 031-226 7351.

Save & Prosper Securities Ltd.
International Funds

Capital Units	28.1	32.2xd	-0.1	2.88
Gilt Units	27.0	29.1	+0.1	7.39
Universal Growth	40.5	44.8	+0.2	2.74

Increasing Income Fund

High-Yield Units	43.3	46.4	.....	7.20

High Income Funds

High Return	47.0	50.3	+0.4	9.12
Income	34.2	36.6	+0.1	8.36

U.K. Funds

UK Equity Fund	34.5	36.9	-0.2	5.39
Ebor Cap. Acc.	51.2	54.7	-0.2	4.25
Ebor General	42.7	45.6xd	-0.3	5.06

Overseas Funds

(a) Euro Gth. Fd.	76.3	81.7	.....	3.63
(a) Japan Gth. Fd.	63.0	64.7	-0.3	—
(r) US Gth. Fd.	75.2	80.5	-0.1	1.25

Sector Funds

Commodity	62.6	67.0	+0.2	4.36
(r) Comdty. Pens.*	177.6	183.6	.....	5.97
Energy	59.1	63.2	.....	1.79
Fin. Gtd Secs. Fd.	58.1	62.2	.....	2.75
Ebor Financial	30.5	32.7	+0.1	4.71
Ebor Prop. Share	30.9	41.7xd	+0.4	4.15

High-Minimum Funds

X Select Gth.**	94.2	100.8	.....	2.88
X Select Inc.**	84.3	90.0	.....	7.15

*Prices on June 30. Next sub. day July 7.
**Prices on July 6. Next sub. day July 20.

Scotbits Securities Ltd.♥

Scotbits	33.5	35.8	+0.5	4.25
Scotyield	41.4	44.3	+0.4	7.20
Scotgrowth	43.5	46.5	-0.1	4.74
Scotshares	40.3	43.1xd	.....	4.85
Scothinds	228.4	241.5	.....	2.80
Scotincome	43.0	45.9	.....	7.82
♦Scot. Ex. Gth.	143.7	152.7	.....	3.48
♦Scot. Ex. Vtd.	128.0	136.0xd	.....	6.75

*Prices at June 29. Next sub. day July 14.

Scottish Equitable Fnd. Mgrs. Ltd.♥
28 St. Andrews Sq., Edinburgh 031-556 9101

Income Units	40.9	43.5	+1.2	5.50
Accum. Units	42.8	45.5	+1.9	5.50

Dealing day Tuesday.

Sebag Unit Tst. Managers Ltd.♥ (a)
PO Box 511, Bckhby. Hse., E.C.4. 01-236 5000

Sebag Capital Fd.	25.9	27.3	+0.2	4.45
Sebag Income Fd.	25.1	26.3	+0.2	8.04

Security Selection
8 The Crescent Minories, EC3N 4LY 01-488 4813

Unv Gth Tst Acc	29.0	34.5	+0.6	2.68
Unv & Gth Tst Inc	21.6	22.6xd	+0.3	2.88

Slater Walker Tst. Mgmnt. (a) (g)
2 London Wall Buildings, London Wall, London EC2M 5QL. 01-638 0478/0479

Assets Tst.	53.7	57.5	+0.2	5.62
Bank Inc & Fin.	50.2	54.0	+0.3	4.43
Brit. High Inc.	24.2	24.4	+0.1	11.30
Capital Acc.	29.9	43.0	+0.2	4.06
Cap. Growth	28.7	30.8	+0.3	7.39
Century	36.0	38.6	.....	4.12
City of London	29.2	31.3	+0.1	3.87
Comm & Ind	44.2	47.4xd	.....	4.85
Commodity	38.2	39.3	.....	4.93
Domestic	28.6	30.8	+0.1	5.42
Energy Tst.	47.7	51.1	.....	1.00
Extra Income	28.6	30.7	.....	10.80
Far East	18.8	20.2	-0.2	3.87
Financ'l Tst.	29.4	31.7	+0.3	3.90
Gen'l Inc.&Power	28.6	30.7	+0.2	5.65
Gen'l Secs.	28.4	28.4	+0.2	5.05
Global Gth.	22.9	24.5	.....	2.43
Gold & General	79.1	85.0xd	.....	4.69
Growth	42.4	47.1	+0.1	2.50
Ind. & Growth	33.3	37.3	+0.1	8.32
Int. Consumer	23.2	24.9xd	.....	3.09
Invest. Tst. Shares	32.3	34.7xd	+0.1	4.86
Minerals Tst.	34.3	36.1	-0.4	7.54
Nat. Res.	24.3	26.1	.....	5.43
New Issues	28.5	28.5	+0.3	5.47
N. Amer. Tst.	29.3	31.4xd	.....	2.88
Pref'ncd Tst.	377.5	389.2xd	-0

G.W. Joynson
A COMPANY LIMITED
Commodity Brokers
14 Trinity Square
London EC3N 4ES Tel: 01-480 6921
Telex: 885346
a member of the Inchcape Group

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

1976 High	Low	Stock	£	+ or −	Int.	Yield Red.
		"Shorts" (Lives up to Five Years)				
99½	92¾	Treasury 6½pc 1976‡‡	99½	....	6.53	10.86
98⅞	98⅝	Victory 4pc 1976‡‡	98⅝	....	4.04	—
101½	99¼	Treasury 10½pc 1976‡‡	100	+⅛	10.50	10.40
98½	95¼	Treasury 6½pc 1977‡‡	97⅞	....	6.42	10.38
97¼	94½	Electric 3pc 74-77	96½	−⅛	3.11	8.30
103½	92¾	Treasury 11½pc 77‡‡	100¾	....	11.42	10.75
95⅝	91⅞	Treasury 3pc 77‡‡	95½	....	3.16	6.84
95⅝	92¼	Transport 4pc '72-77	95½	−⅛	4.19	7.33
99½	90½	Treasury 9pc 1978‡‡	96¾	....	9.29	11.05
101½	97	Treasury 10½pc '78‡‡	99¼	+⅛	10.54	10.68
93⅝	89⅝	Exchequer 5pc '78-78‡‡	92½	−⅛	5.41	8.80
105¾	97⅞	Treasury 11½pc '78‡‡	100¼	−⅛	11.48	11.29
88⅞	83⅝	Treasury 3pc '79‡‡	88⅝	....	3.38	7.02
89⅞	75⅞	Electric 4½pc '74-79	89⅛	....	4.77	8.14
100½	94⅞	Treasury 10½pc '79‡‡	97½	−⅛	10.77	11.40
88¼	83⅝	Electric 3½pc '76-78	88⅛	....	3.97	7.56
96¾	90¼	Treasury 5pc 1980‡‡	93¼	....	9.67	11.36
96½	91¼	Treasury 9½pc '80‡‡	93½	....	10.16	11.63
86½	82¼	Treasury 3½pc '77-80	86½	....	4.05	7.54
89½	71	Funding 5¼pc '78-80‡‡	89½	−¼	5.89	8.53
103⅛	96¾	Treasury 11½pc 1981	99½	....	11.55	11.61
86	79	Treasury 3½pc 1979-81	84⅞	+⅛	4.14	7.87
95⅝	90⅝	Treasury 9½pc 1981‡‡	92½	....	10.56	11.90
		Five to Fifteen Years				
94½	86	Treasury 8½pc '80-83‡‡	88¾	−⅛	9.64	11.44
107¼	99⅞	Treasury 12pc 1983‡‡	102½	−⅛	12.14	12.24
81¼	73¼	Funding 3½pc '82-84‡‡	76⅞xd	−⅛	7.14	9.91
87⅝	79⅞	Treasury 8½pc '84-86‡‡	81⅞xd	−⅛	10.37	11.59
74⅞	67⅞	Funding 6½pc '85-87‡‡	69⅞	−⅛	9.46	11.66
77⅝	71	Treasury 7¼pc '85-88‡‡	72¼xd	−⅛	10.67	12.23
65¼	48⅝	Transport 3pc '78-88	48⅞xd	−⅛	6.14	10.64
59¼	52¼	Treasury 5pc '86-89	52¼	−⅛	9.20	11.92
103¾	93¾	Treasury 13pc 1980‡‡	95¼xd	−⅛	13.54	13.65
75⅞	68	Treasury 9¼pc '87-90‡‡	70¾	−⅛	11.81	12.97
60	53¼	Funding 5¼pc '87-91‡‡	55¼	−⅛	10.59	12.66
		Over Fifteen Years				
100½	87⅞	Treasury 12½pc '82‡‡	92⅝xd	−⅛	13.69	13.83
98½	85¼	Treasury 12½pc '83‡‡	90¾xd	−⅛	13.79	13.96
58	50⅝	Funding 6pc 1982‡‡	55⅝	−⅛	11.59	13.32
75	66¼	Treasury 9pc '94‡‡	70¼	−⅛	13.07	13.54
36½	32¼	Gas 3pc '90/95	33¼	−⅛	9.04	12.04
100	87⅞	Treasury 12½pc '95‡‡	93	....	13.99	14.07
75⅞	66⅞	Treasury 9pc '92/96‡‡	70½	−⅛	13.29	13.79
95¼	93⅞	Exchequer 15½pc '96‡‡	95¼	....	14.06	14.12
35½	31	Redemption 3pc 1986-96	33⅝	−⅛	9.14	11.77
102½	88	Treasury 13½pc '97‡‡	95xd	−⅛	14.07	14.12
70¼	64¼	Treasury 8¾pc 1997‡‡	68½	−⅛	13.37	13.81
57⅞	50¼	Treasury 6¾pc '95-98‡‡	53⅝	−⅛	12.88	13.61
76	65½	Treasury 9½pc 1999‡‡	69⅞xd	−⅛	13.55	13.86
31½	27¼	Funding 3½pc '99-04	28⅞	−⅛	12.28	13.05
65	56¼	Treasury 8pc '02-03‡‡	60⅞	−⅛	13.66	13.80
46⅛	39⅝	Treasury 5½pc '08-12‡‡	42½	−⅛	13.51	13.66
60⅞	52¼	Treasury 7¼pc '12-15‡‡	54xd	−⅛	13.74	13.80
		Undated				
30½	26¾	Consols 4pc	27⅞xd	....	14.21	—
27⅞	24¼	War Loan 3½pc‡‡	26	....	13.54	—
28⅞	25¼	Conv. 3½pc '61 Aft.	27½	....	13.24	—
23¼	20⅝	Treasury 3pc 66 Aft.	21⅞	....	14.21	—
19⅝	17	Consols 2½pc	18¼xd	....	13.81	—
19½	16⅞	Treasury 2½pc	18⅛	....	14.32	—

**INTERNATIONAL BANK

99¾	98¼	8pc Stock 1976	99¼	....	—	—
74	68½	8pc Stock '77-82	74	....	6.94	11.47

**CORPORATION LOANS

89¾	84½	Birm'ham 9½pc '79-81	85¼xd	+¼	10.70	12.98
97½	87½	Bristol 8½pc '75-77	97⅛	....	6.68	11.52
94½	89½	Essex 5½pc '75-77	94½	....	5.82	11.57
95¾	92½	G.L.C. 7½pc '77	95¼	....	7.60	11.81
102½	93½	Do. 12½pc '82	98¼	+¼	12.73	13.31
78¾	74¼	Herts. 5½pc '78-80	78¼	+¼	6.68	12.34
95⅝	91⅞	Liverpool 7pc '76-77	94½	....	7.41	12.03
87¼	79	Do. 9½pc '80-84	82½	....	12.02	13.73
20	22¼	Do. 3½pc Irred.	24xd	....	14.57	—
90	86¼	Lon. Corp. 6½pc '75-78	89¼	+¼	7.28	12.48
83	75	Do. 9¼pc '84-86	81	....	11.77	13.34
91½	87⅞	L.C.C. 6pc '75-78	91⅛	+⅛	6.57	12.09
75¼	69¼	Do 8½pc '77-81	74¼	....	7.58	12.90
67½	60½	Do 5½pc '82-84	64¼xd	....	8.54	12.70
59	52½	Do 8½pc '85-87	55¼	....	9.93	13.38
60½	20½	Do 6¼pc '88-90	56xd	....	12.04	13.97
22½	19¼	Do. 3pc '20 Aft.	21	....	14.74	—
93¼	90	Middx. 6½pc '75-77	93	....	6.72	11.78
79¼	74½	Do 9¼pc 1980	79	....	6.65	12.49
90½	85¼	Newcastle 9½pc '78-80	88¼	....	10.48	12.95
101½	97	Warwick 12½% 1989	99	....	12.63	12.76

COMMONWEALTH & AFRICAN LOANS

100¼	92¾	**Aust. 6pc '74-76	99⅛	....	6.08	10.35
91	85½	**Do. 5½pc '75-78	89⅞	....	6.29	11.65
82¼	77¼	**Do. 5½pc '77-80	80½xd	....	6.76	12.14
74¼	68¼	**Do. 5½pc '81-83	72¼	....	7.75	12.78
86½	80¼	**N.Z. 4pc 1976-78	85½	....	4.64	10.47
83½	80	**Do. 6pc '78-80	83½	....	7.36	12.49
74	67½	**Do. 7½pc '83-85	70¼	....	10.72	12.95
43	25	Sth. Rhod. 2½pc '55-70	28	....	—	—
62	39	Do. 6pc '78-81	46	....	—	—

LOANS (Miscel.)

81½	62½	Agric Mt. 5pc '59-89	45xd	....	†11.08	14.48
76½	66½	Alcan 10½pc '88-94	72¼	....	14.48	14.98
100¼	95¼	**'77 12½c '81	98½	+¼	13.20	13.44
106	99	Do. 14pc 1978	104	....	13.67	12.98
66¼	60¼	ICFC 8¾% La. '82-87	66	....	14.06	14.58
97½	89	Do. 9pc 1977	95	....	9.47	12.40
100	94½	Do. 10pc 'C' 1978	100	....	10.17	14.18
24¼	21	**Met. Water 3pc 'B'	23¼	....	13.47	14.65
101	71	U.S.M.C. 9pc 1982	100	−1	9.44	9.75
82½	73	Do. without Wrnts	78	....	11.56	14.60
89½	84	Ultramar 7pc '75-78	89	....	7.88	12.20

FOREIGN BONDS & RAILS

1976 High	Low	Stock	Price £	+ or −	Div Gross	Red. Yield
12½	9	Antofagasta Rly	10½	....	—	—
36	28	Do. 5pc Pref.	28	....	8	—
95	26½	Berlin 4½pc Ass.	95	....	4½	9.19
98	94	Chilean Mixed	98	+4	3	£3.06
195	192	German Yng. 4½pc	195	....	4½	—
72	63	Greek 7pc Ass.	64	....	3½	£5.55
67	55	Do 6pc 28 Sinh. Ass.	62	....	3	£5.47
48	35	Do 4pc Mixed Ass.	48xd	....	2	£4.17
32	30	Hung. '34 Ass.	32	+½	4½	£8.59
55	50	Ireland 6½pc '53-83	52	....	6½	£8.96
336	69½	Ireland 7½pc '51-83.	72xd	....	7½	13.78
77	66¼	Do 9½pc '93-98	72½	....	9¾	14.45
206	165	Japan 4pc '10 Ass.	202	....	—	—
71½	62	Do 6pc '33-38	69½xd	....	6	—
163	145	Peru Ass 3pc	145	....	3	2.10
48½	17½	Rome Ass 4pc C's	18½xd	....	—	—
$93	$70	S.G.L. With/Wrnts	$93	....	9	9.68
95	91	Turin 8pc 1981	93	....	9	9.68
DM94	DM82	Turin 6½pc 1984	DM82	....	6½	9.75
71	69	Uruguay 3½pc	69	....	3½	7.10

U.S. $ DM Prices exclude inv. $ premium

AMERICANS

1976 High	Low	Stock	£	+ or −	Div. Gross	Cvr	Y'ld Gr's
27¼	16⅝	ASA	17¼	....	80c	—	2.6
50	45	AMF 5% Conv. '87	50	....	5½	—	15.1
50½	35	Amax $1	47	....	$1.75	—	2.1
43⅝	31	Baker Intnl. Corp. $1	38½	....	46c	—	0.7
26	17⅛	Barnes Grp. $6⅔	24½	....	$1.75	—	4.0
19½	12¾	Bell & Howell $	16½	....	84c	—	2.9
38¼	26	Bendix Corp. $5	34½	....	$1.72	—	2.8
38⅝	25⅝	Beth. Steel $8	31	....	$2.00	—	7.1
64⅞p	49½p	Brown & Fer. c05¼	59½p	....	20c	—	1.9
14¼	8⅝p	Brunswick Corp. $	13½	....	44c	—	1.9
69	67¼	Burroughs Corp. $5	84⅛	....	68c	—	0.4
49	36¼	CBS $2.50	47¼	....	$1.66	—	2.0
40	32	C.P.C. $2	37½	....	$2.30	—	3.5
29¼	19¼	Carborundum $3	28¼	....	85c	—	1.7
78⅝	55¼	Caterpillar $	73½	....	$2.25	—	1.7
22	14¼	Champion Int. Inc.	20¼	....	$1.00	—	2.7
26½	20⅞	Chase M'htn. $12.5	24¼	....	$2.20	—	5.0
26¼	20¼	Chesebrough $1	25¼	....	76c	—	1.9
17⅛	7⅝	Chrysler 5Op	15¼	....	—	—	—
31½	22¼	Citicorp 54	29⅝	....	96c	—	1.9
866p	539p	City Inv. $1.25	801p	....	66c	—	4.6
18½	12¼	Do. Cm. Pf. $5L	16¼	....	52	—	6.8
25½	19¼	Colgate-P. $1	21⅞	....	76c	—	2.0
46¼	22¼	Cole Inds. $1	43¼	....	$2.00	—	2.6
45½	28⅞	Cont. Illinois $10	43¼	....	$2.32	—	3.0
38⅝	22	Cont. Oil $5	34	....	$1.50	—	3.3
38¼	28¼	Crown Zell. $5	31	....	$1.80	—	3.3
32¼	21⅛	Cutler-Hammer $5	31⅝	....	$1.60	—	2.8
34	23¼	Eaton Crp. $0.50	33½	....	$1.80	—	3.0
88¼	63⅝	Exxon $7	85	....	$5.00	—	3.3
21	17¼	Firestone Tire $	18⅝	....	$1.10	—	3.3
19¼	14	First Chicago $5	18¼	....	96c	—	3.0
35⅝	23¼	Fluor Corp. $½	33⅝	....	80c	—	1.3
50⅞	35	Ford Motor $2½	46⅛	....	c$2.40	—	2.9
26⅛	20⅝	GATX	22⅝	....	$1.80	—	4.5
47¼	36⅞	Gen. Elect. $2½	46⅛	....	$1.60	—	1.9
30⅛	23⅞	Gillette $1	24¼	....	$1.50	—	3.5
45	26⅛	Honeywell $1.50	40	....	$1.40	—	1.9
23⅛	11¼	Hutton (E.F.) $1	16¼xd	....	60c	—	2.1
229	178½	I.B.M. Corp. $5	223⅞	....	$7.0	—	1.7
77⅝	55⅝	Ingersoll-R $2	73	....	$2.68	—	2.0
26	22¼	Int. Systems & Con. $1	23¼	....	25c	—	0.6
10⅞	7⅝p	I. U. International£	8⅝xd	....	85c	—	5.5
32⅞	22	Kaiser Al. $½	29⅞	....	$1.20	—	2.2
33⅛	23⅛	Manf. Han. US$7.50	32¼xd	....	$1.80	—	3.1
25¼	11⅛	Merl. Lynch $1.33⅓	22⅞	....	80c	—	4.0
53½	40¼	Morgan (J.P.) US$2.5	49¼	....	$1.80	—	2.0
18	14⅝	Norton Simon Inc $1	16⅛	....	50c	—	1.7
53¾	41⅛	Owens-Ill. $3.125	49⅞	....	$1.88	—	2.2
26⅞p	9⅝p	Penn-Central	12⅞p	....	—	—	—
23	17½	Quaker Oats US$5	22¼	....	84c	—	2.1
20⅞	14⅞	Rep. N.Y. Corp. $5	19⅝	....	88c	—	2.6
11¼	8⅝p	Reliance $0.25	11⅛	....	‡40c	—	‡
33	16⅛	Rexnord $5	29⅞	....	$1.20	—	2.3
21½	16⅛	Richdsn.-Merrill $1¼	20½	....	64c	—	1.7
369p	239p	Saul (B.F.) $10	314p	....	—	—	—
57¼	34¼	Shell Oil $1	54⅛	....	$2.80	—	2.9
20¼	705p	Singer $10	19⅞	....	—	—	—
42¼	31¼	Sperry Rand $0.50	41⅝	....	92c	—	1.3
32⅛	21¼	TRW Inc. $1¼	30	....	$1.20	—	2.2
26⅞	21¼	Tenneco Inc	26⅛	....	$1.76	—	3.8
142	113½	Do. 10% La. Stk. 91-95	141½xd	+1	10⅞	—	17.1
14⅞	10¼	Tesoro Pt. US$0.16⅔	12⅞	....	$1.00	—	4.5
24¼	18	Texaco $6.25	22½	....	$2	—	5.0
97⅞p	64⅞p	Transamerica $1	88⅞p	....	62c	—	4.0
49	34¼	U.S. Steel $30	43¼	....	$1.87	—	2.4
11	7⅝p	UOP $1	9⅞p	....	—	—	—
25¼	16	Veeco Inds. $0.80	19⅝	....	—	—	—
21⅛	16⅞	Woolworths $3½	19½	....	$1.20	—	3.5
54¼	40	Xerox Corp. $1	49⅝	....	$1	—	1.2
12⅞	884p	Zapata Corp. 25c	11	....	‡30c	—	1.5

S.E. List Premium 47½% (based on $1.8045 per £)

Conversion factor 0.6801 (0.6848)

BUILDING INDUSTRY—Continued

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
116	75	Int. Timber	83	....	5.17	—	9.6	—
29	14½	Ireland Ernest	15	....	‡2.32	—	‡	—
35	25½	J.B. Holdings 5p	29	....	0.89	8.0	4.3	4.1
31	23	J.C.E.G.	31	....	‡7.58	3.0	6.6	7.9
140	112	Jarvis (J.)	112	....	‡7.14	2.8	9.8	5.6
176	127	Jennings SA0.50	155	....	30Ø6c	—	—	—
260	180	Jum-Rehds 50p	213	+8	‡5.32	7.4	3.8	5.4
12½	10	Jones Edwd. 10p	10	....	0.91	1.5	14.1	6.7
15	12	Jowlet Props. 10p	14½xd	....	†1.0	—	‡	—
13½	10½	Keukens 10p	11½	....	—	—	—	—
37	27½	Kent (M.P.) 10p	31	....	†1.71	4.0	8.5	4.5
£39½	£30	Lafarge S.A.F100	£38¾	....	Ø15%	2.2	4.2	10.8
29	19	Laing Org.	24	....	0.67	6.8	4.3	5.3
79	66	Laing (John) "A"	66xd	....	0.48	6.8	3.4	6.1
150	120	Latham Jas. £1	125	....	†6.91	2.9	8.5	6.2
11	6	Lawdon 10p	6½xd	....	‡0.52	—	‡	—
75	64	Lawrence (W.)	70	....	4.25	2.8	9.8	5.7
40	25	Leyland Paint	34	....	†0.8	—	3.7	4.8
35	31	Lilley F.J.C.	36	....	‡1.18	7.6	5.0	4.0
23	15	Liner C. M'ch 10p	20	....	†1.17	6.2	9.0	5.0
42	30	London Brick	46	−2	2.63	2.9	8.8	6.0
62	50	Lovell (Y. J.)	50	....	‡2.01	5.0	6.5	4.7
60	46	McNeill Group	48	....	2.85	4.5	9.1	3.7
143	140	Magnet & Sthns.	141	....	‡5.0	2.8	5.6	9.8
43	33	Mallinson (Wm.)	35	....	12.5	3.2	11.0	5.9
44	35	Manders (Hldg.)	41	....	2.07	3.2	8.1	6.0
130	85	Marchwiel	100	....	‡2.37	6.7	4.3	5.4
109	77	Marley	80	....	‡3.34	2.9	6.4	8.8
88	68	Marsh Mls (Hfx)	76	+2	4.92	♦	10.1	♦
95	65	May & Hassell	67	....	5.49	♦	5.9	♦
40	22	Meats Bros.	28	....	1.42	1.2	8.9	15.8
66	56	Melville D. & W.	57	....	3.93	4.0	9.0	4.3
76	57	Meyer (Mont. L.)	66	....	‡3.75	3.9	8.7	11.9
70	45	Milbury	48xd	....	2.01	—	6.8	♦
15½	12	Miller (Stan) 10p	13	....	‡0.15	♦	13.6	♦
46½	32	Mixconcrete	52	....	‡2.96	2.9	8.5	7.5
38	26	Mod. Engineers	38	....	‡2.31	2.7	11.4	6.0
56½	43	Monk (A)	43xd	−2	4.28	1.6	15.3	6.3
71	71	Mowlem (J.)	78	+2	14.43	2.8	8.7	6.3
67	48	Newarthill £1	58	+2	4.0	1.9	10.6	7.4
133	103	Norwest Holst	53	−1	2.53	♦	7.7	♦
124	90	Nott. Brick 50p ‡	120	....	‡6.61	1.5	8.7	11.4
154	108	Orme Devs. 10p	29½	+½	‡2.48	1.9	12.9	6.8
34	27	Parker Timber	30	....	‡2.87	3.9	9.4	4.4
17	10½	Phoenix Timber	13	....	1.0	7.6	20.5	4.9
43	36	Portins	43	−1	2.5	1.4	5.1	13.4
26	16	Rawlings Bros.	16	....	‡0.62	—	5.0	—
87	84	R.M.C.	84	....	4.95	1.7	8.6	10.4
115	91	Redland	88	−1	‡5.41	2.7	6.0	10.0
43½	30	Reed & Mallik	17	....	—	—	—	15.8
72	53	R'ch'ds. Wall 10p.	53	....	‡4.04	2.5	11.7	5.3
34	27	Roberts Adland	34	....	‡1.55	2.9	10.1	5.2
38	32	Rohan 10p ‡	32	....	—	—	—	—
48	42	Rowlinson 10p‡	48xd	....	‡2.0	7.6	6.4	3.1
32	20	Rugco Group	20	....	1.0	1.6	13.7	6.9
21	19	Ruberoid	26	....	1.29	1.3	9.1	5.5
91	52	Rugby P. Cement	57	....	2.03	2.6	7.6	7.9
114	74	SGB Group	79	....	‡4.28	3.1	8.5	5.7
31	26	Sabah Timber 10p	27	....	1.33	3.1	7.6	6.4
41	31	Sharpe & Fisher	37	....	‡2.5	2.2	8.0	8.8
48	42	Shellabear Price	27	....	2.48	2.9	14.1	3.7
59	47	Smart (J.) 10p	48	....	‡2.25	4.1	10.4	3.6
15	11	Southern Cos. 5p	12	....	‡0.27	3.1	2.9	25
150	125	Sparrow G.W. 20p	135	....	‡7.39	4.1	5.0	7.5
42	39	Streeters 10p	44	....	2.07	2.4	9.0	6.0
49	38	Summers (O.C.)	38	....	‡2.51	2.1	12.1	4.0
194	142	Tarmac 50p	153	....	‡7.50	♦	8.0	♦
299	243	Taylor Woodrow	243	−3	5.97	4.1	4.3	8.2
288	202	Tilbury Ctg £1	202	....	‡8.53	3.1	12.6	3.9
134	85	Travis & Arnold	86	+1	3.7	7.5	5.6	3.7
202	146	Tunnel B 50p	158	....	‡8.7	♦	8.6	♦
82	41½	UBM Group	44½xd	....	2.42	0.9	14.5	12.2
39	19	Veritas Stone 10p	22	....	‡1.21	2.1	8.6	8.6
96	56	Vibroplant	115	....	‡6.55	1.7	11.8	7.8
39½	23	Ward Hldgs. 10p	28	....	‡2.26	♦	15.4	♦
29	18	Warrington	18	....	‡2.7	♦	14.6	♦
101	80	Watts Blake	101	+1	‡7.91	5.0	2.9	18.6
11½	6¼	Wellco Hldgs. 5p	11½	....	‡1.1	♦	♦	♦
41	26	Westbrick Prods.	30	....	2.96	1.9	13.6	6.5
78	58	Western Bros.	58	....	‡5.27	0.7	13.8	15.0
13¾	7¼	Whatlings 5p	9¼	....	10.99	2.5	8.2	8.4
76	17	Whit'ch'ch 12½p	17	....	—	—	—	—
15	9	Wiggins Con. 10p	13½	....	1.29	1.0	14.2	10.7
54	41	Wilson (Connolly)	42	−2	2.09	6.6	7.4	3.1
70	43	Wimpey (Geo.)	43	−1	0.55	21.6	2.0	6.7

BANKS AND HIRE PURCHASE

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
250	195	Alexanders D. £1	220	−3	11.67	—	8.3	—
£110	£89	Algemene FL100	£89	....	Q21%	♦	4.2	♦
490	355	Allen Harvey £1	360	−10	25.0	—	10.7	—
128	93	Allied Irish	98	....	Q6.89	—	7.0	—
48	36	Anglo Contnl	48	....	—	—	—	19.3
160xd	145	Arbuthnot L. £1	160xd	....	8.28	—	8.0	—
482	−3	Aust. & N.Z. £1	482	−3	‡10.01	—	3.2	—
£457½	....	BankAmer. $3.125	£457½	....	Q51.56	—	1.9	—
290	+10	Bk. Ireland £1	290	+10	‡12.5	—	6.6	—
£115	....	Bk. 10pc Conv.	£115	....	Q10%	—	‡7.1	—
20	....	Bk. Leumi AIL£1	20	....	Q16%	—	7.2	—
220	....	Bk. Leumi (UK)£1	220	....	7.25	—	5.1	—
590	....	Bk. N.S.W. $A2	590	....	‡Q28c	—	3.5	—
275	+2	Bank Scotland £1	275	+2	8.87	3.5	5.0	8.7
£28⅞	....	Bankers N.Y. $10	£28⅞	....	Q53.80	—	6.0	—
277	+2	Barclays £1	277	+2	8.99	4.4	5.0	6.9
20p	....	Bates (Edward)	20p	....	—	—	—	—
135	....	Brown Shipley £1	135	....	7.05	—	8.0	—
255	−5	Cater Ryder £1	255	−5	15.73	—	9.5	—
65	−2	Clive Dis'nt 20p	65	−2	3.8	—	9.3	—
275	....	Cons'l Ass. (SA)	275	....	Q14%	—	2.9	—
£11½	....	Cons'ntle DM10	£11½	....	Q17%	—	2.6	—
£20	....	C'tngn. Hbk. Kr100	£20	....	Q11%	—	4.4	—
6	....	Corn Hldgs. 10p	6	....	—	—	—	—
£17⅞	....	Cred. France FF5	£17⅞	....	Q9.7%	—	4.4	—
72	....	Dawes (G. R.)	72	....	5.25	2.9	11.2	4.8
14	+½	Dawnay Day	14	+½	0.5	—	5.7	—
33	....	F. C. Finance	33	....	1.5	2.0	7.0	11.2
—	....	First Nat. 10p	—	....	—	—	—	—
¼	....	Do Wrrts. '75-82	¼	....	—	—	—	—
10½	+¼	Fraser Ans. 10p	10½	+¼	0.76	—	11.1	—
132xc	....	Gerrard Natnl.	132xc	....	h6.65	—	7.8	—
48	....	Gibbs (A.)	48	....	1.79	—	6.9	—
190	−5	Gillett Bros. £1	190	−5	10.0	—	10.5	—
23	....	Goode D'l Mty. 5p.	23	....	0.79	1.4	5.3	20.2
37	....	Grindlays	37	....	—	—	—	—
190	+2	Guinness Pest	190	+2	g8.32	—	6.7	—
195	+1	Hambros	195	+1	7.75	—	6.5	—
91	+1	Hill Samuel	91	+1	3.08	—	6.6	—

هكذا من الأصل

INDUSTRIALS—Continued

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
43½		I.C. Industries$	£26	.....	$1.30	—	4.5	—
112		Ilson Cont. Ord.£1	315	−2	7.98	2.3	4.0	16.8
156		Incledon Lands	88	+1	3.32	2.2	10.7	6.6
950		Ingall Inds. 10p	18	.....	g1.57	1.7	13.4	7.1
158		Initial Services	58½	.....	†3.37	2.2	8.9	8.0
144		Inter-City 20p	10	.....	0.8	2.5	13.0	4.7
130		Int. Computers £1	130	+1	0.65	32.9	0.7	5.7
154		James (John)	27½	.....	†d2.12	3.3	11.9	8.5
190		James (M) 10p	29	.....	2.57	1.2	16.5	7.5
225		Jardine M. SH$5	364	−3	Q63c	2.3	2.0	22.1
422		Jestique 5p	8¼	.....	†0.49	2.4	9.2	7.0
187		Johns'n & B.12½p	13	.....	bd0.78	1.4	10.5	(8.2)
176		Johnson Clars.	33½	.....	2.32	2.3	10.7	6.3
148		Johnson Mthy.£1	362	.....	11.08	♦	4.7	♦
139		Judge Int.	18	−1	†1.85	1.7	‡	—
160		Kalamazoo 10p	28½	.....	1.57	1.4	11.8	9.3
64		Kelsey Inds. 12½p	46	.....	2.43	3.5	9.0	4.8
226		Kennedy Sm. 10p	16	.....	1.38	1.9	13.3	6.2
140		Kershaw (A.) 5p	68B	.....	†2.81	8.6	2.9	—
250		Kleeman	178	+8	4.16	5.6	3.6	7.6
240		Kode Int.	38	−2	1.33	3.3	5.4	8.7
148		L.C.P. Hlds	69	+1	3.9	♦	9.0	♦
148		L.K. Ind'l Invs.	24	.....	2.14	1.8	13.7	6.1
146		L.R.C. Int. 10p	42	+1½	†2.0	1.1	7.3	18.8
130		Lamson Inds	81	.....	2.5	2.2	4.8	15.0
352		Lawtex	20	.....	†2.58	2.0	‡	—
282		Lead Inds. 50p	136	+1	5.09	3.4	5.8	7.8
113		Leadenhall Stg.	56	.....	3.32	2.8	9.1	4.4
470		Le Bas (Ed.)	66	.....	1.48	13.3	5.4	3.3
98		Lehoff Fabel 10p	32½	.....	1.48	♦	7.2	♦
870		Lebus Harris.	46	+1	2.93	3.2	9.8	3.6
157		Leigh Inds. 5p	26	.....	0.83	♦	4.9	♦
627		Leisure Cor. 10p	81	.....	4.82	♦	9.5	♦
		Lep Group 10p	110	−2	2.54	5.9	3.6	6.4
		Lesney Prods. 5p	67	+1	†2.34	5.5	5.5	6.4
		Letraset 10p	76	.....	†2.54	4.6	5.1	12.7
		Lilley 10p	11¾	+¼	.....	—	—	—
		Light & Leis. 10p	33	.....	12.0	3.7	9.3	7.8
		Lindsay & Wms.	17	.....	—	—	—	—
		Lindustries	59	−1	†3.76	3.9	9.8	4.3
		Lipton (L.)	23	.....	1.0	♦	6.7	♦
		Lon. & Nthn. Grp.	33½	.....	3.25	1.8	15.2	5.7
		Long Finbly. 10p	13½	.....	†1.29	2.0	14.7	5.7
		Longton Trans.	31	.....	†2.84	†1.9	14.1	5.7
		Lonsdale Universal	46	+1	†3.77	1.9	12.6	6.8
		Low & Bonar 50p	150	.....	8.87	2.3	9.1	5.9
		MK Refrig'n 10p	68	+3	d2.51	3.7	5.7	7.4
		MPI 5p	16	.....	—	—	—	—
		M.V. Dist. 10p	38	.....	†1.37	4.1	5.6	6.7
		Macarthys Ldn. 10p	15xd	.....	1.61	1.8	16.5	5.9
		McArthy Ph. 20p	77	.....	†3.52	2.8	7.0	8.6
		Macfarlane Gp.	54	.....	3.13	1.7	8.9	10.2
		McBride Hldg. 10p	157	.....	3.99	4.3	3.9	5.9
		McCleery L'A	18½	.....	1.84	2.7	15.3	3.7
		Macpherson (D.)	58	+2	†2.14	2.8	5.8	9.6
		McInnes Tst.'ds 5p	16½	.....	0.89	2.6	8.3	7.2
		Magnetic Mtg. 10p	61	.....	2.19	6.5	5.5	4.3
		Magnet. Ag. M.10p	49	.....	5.2	2.4	16.3	3.9
		Mam. Ship Can.£1	163	.....	12.67	1.8	12.0	7.2
		Marks (A.) 10p	23	.....	1.35	♦	9.4	♦
		Marling Ind. 10p	14	.....	g0.93	5.0	10.2	5.2
		Marshall T.'ngs. 'A'	28	+3	2.02	7.0	11.1	4.0
		Marshall's Univ.	120	.....	†4.04	3.8	7.3	8.7
		Martin-Black	104	.....	4.0	5.1	5.9	5.1
		Maynards 25p	70	.....	†3.94	3.7	8.7	4.8
		Mecaltraze 10p	14	.....	†1.62	1.0	‡	8.8
		Mentmore 5p	11½	.....	0.83	1.2	11.7	11.3
		Metal Box £1	274	+2	12.1	1.9	6.8	11.6
		Metal Closures	67	.....	3.43	2.6	7.9	7.4
		Metlex	28	.....	†1.87	3.0	10.3	5.1
		Mills, Mystry. 50p	145	.....	d4.94	2.1	7.4	5.1
		Mitt. Cotts. 'Prop'l	42	.....	†2.72	2.0	10.0	6.6
		M'santo Spe. B2.9	£228	.....	Q5%	†14.9	†2.2	—
		Mono Containers	28	.....	2.0	0.1	11.0	65.1
		Monsanto 10p	3½	.....	—	—	—	—
		Morgan Crucible	87	.....	4.29	1.6	7.6	12.5
		Moss (Robt.) 10p	40	.....	2.22	♦	8.7	♦
		Mowlem 10p	11	.....	—	—	—	—
		Myson Gp. 10p	88	+3	3.78	2.7	6.6	6.5
		Nash (J. F.) Secs.	38	.....	†4.21	2.5	11.6	4.7
		Nathan (E. & J.)	34	.....	2.72	1.6	12.9	7.6
		Nat. Cr'ditng 10p	24xd	−1	0.65	♦	4.2	♦
		N.C.H. 4% $1000	£51	+½	Q4%	♦	47.8	—
		Negretti & Zambra	47	.....	2.69	2.0	8.8	7.0
		Nelson Sp'ngs 10p	29	+2	—	—	—	—
		New Equip. 10p	10	.....	0.88	2.9	13.5	3.9
		Newey Group £1	75	.....	2.0	—	4.1	—
		Newton J.M. 10p	54	.....	d1.21	5.1	3.4	8.7
		Noreros	70	−½	3.6	2.9	8.1	6.6
		Norton & Wt. 10p	54	.....	†d3.13	2.4	8.9	7.1
		Norvic Secs. 10p	17	.....	2.2	0.5	19.9	36.9
		Nu-Swift 5p	20½	.....	1.27	1.3	9.6	12.0
		Odeon Restaurants	35	.....	3.89	3.1	6.5	7.8
		Office & Elect.	61	.....	3.32	3.5	8.4	5.2
		Ofrex 20p	69	.....	2.83	2.9	7.0	7.6
		Overstone 12½p	45	.....	Q10c	2.3	13.2	3.2
		Oxalid	109	.....	5.3	1.6	7.5	13.1
		Do. 8% Conv.	£68	−1	Q6½%	46.5	19.8	—
		Parker Knoll 'A'	50	+1	†2.83	5.4	8.1	3.6
		Patent Ind	4½	+½	—	—	—	—
		Paul & Whites	70	.....	3.17	3.9	7.0	5.7
		Peerage 10p	14½	.....	1.32	♦	10.4	♦
		Pentland 10p	8	.....	0.38	2.9	7.3	5.3
		Penton 10p	48	+1	3.49	2.4	11.2	5.1
		Perrycon 12½p	82	.....	†3.92	3.4	7.4	6.1
		Phillips Patents	8	.....	d1.00	—	19.2	—
		Photax (Lon.)	29	.....	2.22	3.4	11.8	3.8
		Photo-Me 50p	157	.....	1.18	16.6	7.4	6.8
		Pinnington Jar	29	+1	†d1.29	5.6	6.8	4.4
		Pickles (Wm) 10p	12	−1	0.6	2.1	7.6	9.6
		Do. A.N.V. Vtg 10p	‡	.....	0.6	2.1	11.5	6.4
		Pilkington Br. £1	33½xd	+5	9.38	q2.1	4.3	16.8
		Pitt's Bowes La.	£50½	.....	Q6½%	3.6	11.2	—
		Plastic Const. 10p	52	.....	3.38	2.7	10.0	5.8
		Plastercraft 10p	19	.....	—	—	—	—
		Pleasurama 5p	31½	.....	1.65	2.8	8.2	6.7
		Polymark 10p	36	.....	1.61	♦	7.1	5.4
		Portals	159	.....	7.0	3.2	6.8	9.3
		Powell Duff. 50p	127xd	−1	7.09	♦	8.5	♦
		Press (Wm.) 5p	23¼	.....	1.5	4.4	9.7	4.6
		Prestige Group	29	−1	6.55	2.8	7.0	11.1
		Pritchard Svs. 10p	17½	.....	1.21	2.5	10.6	5.4
		Prov. Laundr. 5p	10e	.....	†0.3	2.8	4.6	31.8
		Pullman R.&J. 5p	61	.....	4.88	♦	13.4	♦
		R.F.D. Group 10p	25	+½	†1.29	5.3	7.9	3.8
		RTD Group 25p	17½	.....	Q2.8	2.8	16.0	3.4
		Racket Sti. 12½p	20	.....	1.62	♦	12.4	♦
		Rand-al J.L. 10p	31	.....	1.38	♦	6.8	♦
		Randalls	45	.....	4.21	2.5	14.4	4.2
		Rank Organ	176	+3	6.48	2.2	5.7	13.8
		Reckitt Col. 50p	360	−3	8.64	2.3	3.7	13.6
		Redfearn Glass	78	.....	3.59	3.9	7.1	5.5
		Reed Exec. 5p	47	.....	4.43	1.2	14.5	8.6
		Reed Intl. £1	252	−5	11.08	1.2	6.8	18.0
		Relyon PBWS	72	.....	5.0	2.1	10.7	7.0
		Rennies Cons 50p	155	−5	†d17c	2.2	7.5	6.1
		Renwick Group	21	.....	1.76	—	—	—
		Restmor	42	.....	3.97	2.1	14.5	5.0
		Resurgence	43xd	+2	d3.6	♦	12.9	♦
		Rich'ds Sheff. 10p	18	.....	1.02	3.0	8.7	5.9
		Rich son Sm. 20p	48	.....	2.04	♦	6.5	♦
		Rockware	74	.....	3.17	4.1	6.8	5.7
		Ropner Hldgs	26½	−¼	1.73	♦	10.5	♦
		Do. 'A'	26½	−¼	1.73	♦	10.5	♦
		Rotaprint 20p	50	.....	2.62	1.3	13.4	8.5
		Rowan & Hoden	73	.....	1.07	3.2	12.7	3.8
		Royal Sovereign	38	.....	2.38	2.2	9.6	7.4
		Rugby Cem.	114	+2	5.2	2.3	6.7	10.6
		Russell (A.) 10p	45	+1	†1.68	5.0	5.9	5.8
		Marshall T'ngs. 'A'	28	+½	2.02	7.0	11.1	4.0
		Marshall's Univ.	120	+3	†4.04	3.8	7.3	8.7
		Martin-Black	104	.....	4.0	5.1	5.9	5.1
		Maynards 25p	70	.....	†3.94	3.7	8.7	4.8
		Mecaltraze 10p	14	.....	†1.62	1.0	‡	8.8
		Mentmore 5p	11½	.....	0.83	1.2	11.7	11.3
		Metal Box £1	274	+2	12.1	1.9	6.8	11.6
		Metal Closures	67	.....	3.43	2.6	7.9	7.4
		Metlex	28	.....	†1.87	3.0	10.3	5.1
		Mills, Mystry. 50p	145	.....	d4.94	2.1	7.4	5.1
		Mitt. Cotts. 'Prop'l	42	.....	†2.72	2.0	10.0	6.6
		M'santo Spe. B2.9	£228	.....	Q5%	114.9	†2.2	—
		Mono Containers	28	.....	2.0	0.1	11.0	65.1
		Monsanto 10p	3½	.....	—	—	—	—
		Morgan Crucible	87	.....	4.29	1.6	7.6	12.5
		Moss (Robt.) 10p	40	.....	2.22	♦	8.7	♦
		Mowlem 10p	11	.....	—	—	—	—
		Myson Gp. 10p	88	+3	3.78	2.7	6.6	6.5
		Nash (J. F.) Secs.	38	.....	†4.21	2.5	11.6	4.7
		Nathan (E. & J.)	34	.....	2.72	1.6	12.9	7.6
		Nat. Cr'ditng 10p	24xd	−1	0.65	♦	4.2	♦
		N.C.H. 4% $1000	£51	+½	Q4%	♦	47.8	—
		Negretti & Zambra	47	.....	2.69	2.0	8.8	7.0
		Nelson Sp'ngs 10p	29	+2	—	—	—	—
		New Equip. 10p	10	.....	0.88	2.9	13.5	3.9
		Newey Group £1	75	.....	2.0	—	4.1	—
		Newton J.M. 10p	54	.....	d1.21	5.1	3.4	8.7
		Noreros	70	−½	3.6	2.9	8.1	6.6
		Norton & Wt. 10p	54	.....	†d3.13	2.4	8.9	7.1
		Norvic Secs. 10p	17	.....	2.2	0.5	19.9	36.9
		Nu-Swift 5p	20½	.....	1.27	1.3	9.6	12.0
		Odeon Restaurants	35	.....	3.89	3.1	6.5	7.8
		Office & Elect.	61	.....	3.32	3.5	8.4	5.2
		Ofrex 20p	69	.....	2.83	2.9	7.0	7.6
		Overstone 12½p	45	.....	Q10c	2.3	13.2	3.2
		Oxalid	109	.....	5.3	1.6	7.5	13.1
		Do. 8% Conv.	£68	−1	Q6½%	46.5	19.8	—
		Parker Knoll 'A'	50	+1	†2.83	5.4	8.1	3.6
		Patent Ind	4½	+½	—	—	—	—
		Paul & Whites	70	.....	3.17	3.9	7.0	5.7
		Peerage 10p	14½	.....	1.32	♦	10.4	♦
		Pentland 10p	8	.....	0.38	2.9	7.3	5.3
		Penton 10p	48	+1	3.49	2.4	11.2	5.1
		Perrycon 12½p	82	.....	†3.92	3.4	7.4	6.1
		Phillips Patents	8	.....	d1.00	—	19.2	—
		Photax (Lon.)	29	.....	2.22	3.4	11.8	3.8
		Photo-Me 50p	157	.....	1.18	16.6	7.4	6.8
		Pinnington Jar	29	+1	†d1.29	5.6	6.8	4.4
		Pickles (Wm) 10p	12	−1	0.6	2.1	7.6	9.6
		Do. A.N.V. Vtg 10p	‡	.....	0.6	2.1	11.5	6.4
		Pilkington Br. £1	33½xd	+5	9.38	q2.1	4.3	16.8
		Pitt's Bowes La.	£50½	.....	Q6½%	3.6	11.2	—
		Plastic Const. 10p	52	.....	3.38	2.7	10.0	5.8
		Plastercraft 10p	19	.....	—	—	—	—
		Pleasurama 5p	31½	.....	1.65	2.8	8.2	6.7
		Polymark 10p	36	.....	1.61	♦	7.1	5.4
		Portals	159	.....	7.0	3.2	6.8	9.3
		Powell Duff. 50p	127xd	−1	7.09	♦	8.5	♦
		Press (Wm.) 5p	23¼	.....	1.5	4.4	9.7	4.6
		Prestige Group	29	−1	6.55	2.8	7.0	11.1
		Pritchard Svs. 10p	17½	.....	1.21	2.5	10.6	5.4
		Prov. Laundr. 5p	10e	.....	†0.3	2.8	4.6	31.8
		Pullman R.&J. 5p	61	.....	4.88	♦	13.4	♦
		R.F.D. Group 10p	25	+½	†1.29	5.3	7.9	3.8
		RTD Group 25p	17½	.....	Q2.8	2.8	16.0	3.4
		Racket Sti. 12½p	20	.....	1.62	♦	12.4	♦
		Rand-al J.L. 10p	31	.....	1.38	♦	6.8	♦
		Randalls	45	.....	4.21	2.5	14.4	4.2
		Rank Organ	176	+3	6.48	2.2	5.7	13.8
		Reckitt Col. 50p	360	−3	8.64	2.3	3.7	13.6
		Redfearn Glass	78	.....	3.59	3.9	7.1	5.5
		Reed Exec. 5p	47	.....	4.43	1.2	14.5	8.6
		Reed Intl. £1	252	−5	11.08	1.2	6.8	18.0
		Relyon PBWS	72	.....	5.0	2.1	10.7	7.0
		Rennies Cons 50p	155	−5	†d17c	2.2	7.5	6.1
		Renwick Group	21	.....	1.76	—	—	—
		Restmor	42	.....	3.97	2.1	14.5	5.0
		Resurgence	43xd	+2	d3.6	♦	12.9	♦
		Rich'ds Sheff. 10p	18	.....	1.02	3.0	8.7	5.9
		Rich son Sm. 20p	48	.....	2.04	♦	6.5	♦
		Rockware	74	.....	3.17	4.1	6.8	5.7
		Ropner Hldgs	26½	−¼	1.73	♦	10.5	♦
		Do. 'A'	26½	−¼	1.73	♦	10.5	♦
		Rotaprint 20p	50	.....	2.62	1.3	13.4	8.5
		Rowan & Hoden	73	.....	1.07	3.2	12.7	3.8
		Royal Sovereign	38	.....	2.38	2.2	9.6	7.4
		Rugby Cem.	114	+2	5.2	2.3	6.7	10.6
		Russell (A.) 10p	45	+1	†1.68	5.0	5.9	5.8
		Rutland Cotsm Prs.100	£22	.....	Q12½%	♦	6.3	♦
		Sale Tilney	120	.....	4.32	2.3	5.5	6.5
		Sangers Grp.	86	.....	5.28	♦	9.8	♦
		Scapa Group	72	+½	3.96	♦	8.9	♦
		Schlumberger $1	£71¼	.....	†Q80c	♦	0.5	♦
		Scoteros	42	.....	2.64	2.3	9.7	7.8
		Scot. Heritable	19	.....	1.11	2.6	9.0	6.7
		Scot. & Un. Invs.	70	.....	†4.49	3.9	9.9	8.0
		Sears Hldgs.	42½	.....	2.1	2.3	7.5	8.7
		Securicor Cp.	46	.....	1.02	5.7	3.4	10.5
		Do. 'A' N-V	42	.....	1.02	5.7	3.7	9.6
		Security Services	57	.....	1.63	3.9	4.4	14.1
		Do. 'A' N-V	32	.....	1.62	3.2	4.8	12.9
		Sharna Wine 20p	30	.....	h1.95	4.2	10.0	3.7
		Siebe Gorman	146	.....	†4.55	4.6	4.8	8.1
		Silentnight 10p	31½	−½	3.31	2.3	9.9	6.8
		Silhouette 20p	31	.....	2.94	♦	9.4	5.8
		Do. 'A' 20p	30	.....	2.94	2.9	15.0	10.3
		Silv'rthorne 10p	8	.....	—	—	—	—
		Simpson (S.) 'A'	34	.....	2.8	1.4	12.7	8.8
		Sketchley	43xd	.....	3.82	2.0	9.3	8.3
		Smith & Nephew 10p	48	.....	d1.94	2.0	6.3	11.1
		Smiths Ind. 50p	150	.....	†5.89	2.9	7.0	7.6
		Soflic Law 20p	30	.....	3.46	2.6	10.7	8.8
		Sotutex	22	.....	2.11	♦	15.8	♦
		Spear (J. W.)	105xd	.....	g1.52	♦	2.2	♦
		Spears Potts	160	.....	b9.5	2.8	9.1	6.0
		Do. 8% Cnv. Ln.	£110	.....	Q8½%	h11.9	2	—
		Stafless Int	48	.....	2.9	2.8	9.3	5.7
		Stag Furniture	63	.....	h3.91	4.3	9.6	3.8
		For Steel Brcs., see Overseas Traders						
		Steetley	148	+½	5.25	2.8	5.5	9.9
		Stein Roal. (H&S)	82	.....	Q54c	3.1	5.5	16.6
		Sterling Inds. 25p	120xd	.....	8.2	1.4	9.4	22.0
		Stonehill Hldgs.	113	.....	d8.0	♦	15.0	♦
		Stonor (P) 10p	7½	.....	0.7	1.7	24.4	4.3
		Sunlight Serv. 10p	18	.....	0.93	2.1	7.9	9.6
		Sutcliffe Speak	42	.....	2.21	♦	8.3	♦
		Sw. Mch. B. 50p	£16¼	.....	Q10%	1.1	4.0	20.9
		Swire Pacific 60c	158	−2	Q22c	h1.6	1.3	39.8
		Sykes	67	.....	d4.2	1.6	13.8	6.5
		Talbex 5p	5¼	.....	0.2	4.3	5.4	6.4
		Tebbitt 10p	8	.....	—	—	—	—
		Thermal Synd.	87½xd	−½	†4.0	3.0	10.6	10.4
		Tilbury Tst. 25p	76	.....	g1.98	♦	10.6	♦
		Tilling T. 20p	76	.....	3.17	2.9	6.4	8.2
		Tophill R.W.	60	.....	4.13	♦	11.1	♦
		Tops	19	.....	0.65	0.6	5.3	77.3
		Torer Kenn. 20p	56	+3	2.22	2.2	6.1	9.7
		Do. 8% Cnv. '81	£92	+1	Q8%	6.9	8.9	—
		Trailsider H. 20p	161	+2	†4.62	2.9	7.0	19.7
		Trans. Un. US$1	£27¼	.....	Q$1.60	—	2.8	—
		Transport Dev.	53	.....	h2.39	1.8	7.5	11.2
		Transwood Gp. 5p	7	.....	d1.42	2.2	35.7	1.9
		Turner & New. £1	140	.....	8.22	1.8	9.0	8.5
		Turner Curr. 5p	7½	.....	†0.68	9.5	13.9	4.5
		U.K. Optical	117xd	.....	4.2	3.2	5.5	8.5
		Unerman 10p	64xd	.....	4.89	♦	10.8	♦
		Unicorn Indust's.	72	.....	4.42	1.2	9.4	12.7
		Unifilec 10p	34	.....	2.5	♦	10.7	♦
		Unilever	464	.....	13.67	2.4	4.5	11.9
		Un't'd N.Y.F.12	£12½	+½	Q38¼%	1.8	3.7	14.9
		Utd. Carriers 10p	32	.....	1.88	3.5	9.3	4.6
		U. City Stores 10p	28	−1	†nil.85	6.8	4.7	4.9
		Do. Wpn. 25p	30	.....	Q10%	15.3	19.1	—
		United Gas Inds.	30½	−½	m0.16	18.5	0.8	10.1
		U. Guarantee 5p	6	+½	—	—	—	—
		U. Industrial 10p	6¼	.....	20.16	—	4.0	21.4
		Unocrome	9½	.....	0.4	4.1	6.6	4.6
		Valor	25	+1	1.77	♦	11.3	♦
		Venesta	24xd	.....	—	—	—	—
		Viners 10p	29	.....	1.15	♦	6.1	♦
		Vinten Grp. 20p	33	+½	†1.25	4.8	6.2	5.2
		W. Ribbons 10p	39	.....	†2.87	3.2	7.4	6.4
		Wade Potts 30p	20	.....	g1.17	4.1	9.0	4.6
		Walker Hsw. 5p	18	.....	d1.3	4.1	11.1	3.7
		Warren (Jas.) £1	72	−5	—	—	—	41
		Waterford 5p	30	.....	Q1.12	3.4	3.8	8.9
		Watkins's	115	.....	†2.62	2.4	3.5	18.7
		Watson R.E. 10p	94	+4	1.98	♦	1.6	♦
		Wedgwood	213	−3	5.83	4.9	4.0	8.9
		Wards Brewd. 10p	33	.....	2.02	2.4	12.1	9.3
		W'stain. & Cty P.	15	.....	—	—	—	105
		W'orle M.H.R.$1	42½	−1	Q20c	3.2	2.4	34.6
		Whitecroft Hldgs.	84	.....	5.30	3.7	6.0	3.6
		Whitley (G.H.)	20	.....	—	—	—	157
		White Child & B.	39	+2	h2.68	h4.0	10.5	10.0
		Whitecroft 50p	97xd	+2	5.31	3.7	8.4	5.0
		Whitehy R.S.& W.	22	.....	0.5	—	3.5	—
		Willan (J.)	46	.....	3.48	1.5	11.5	8.9
		Williams Mitchell	26	−1	—	—	—	—
		Wilkys. M'ch.£1	141	−1	10.89	2.1	7.5	9.5
		Do. 10p Cnv.	£84	.....	Q10%	8.2	10.8	—
		Williams (L.)	29	.....	1.70	3.2	9.5	5.1
		Wills (George)	43xd	.....	1.26	1.9	4.5	11.1
		Winn Indl. 20p	27	.....	2.27	2.9	13.0	6.2
		Winsor & Newt'n	75	.....	h3.51	2.8	7.2	10.9
		Wyser (Thomas)	33	−1	2.56	3.4	11.9	9.0
		Yeo Valleyslng.	111	.....	6.42	2.1	8.9	8.1
		Wood & Sons 5p	11	.....	0.64	4.2	7.5	4.9
		Wood Arthur's 5p	12	.....	0.73	4.2	20.2	3.6
		Wood Hall	52	−1	h4.33	2.2	10.8	7.8
		Worth 5p	19	.....	0.95	4.6	7.7	4.4

INSURANCE

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
86	65	Bowring (C. T.)	74	−1	†2.64	2.6	5.5	12.3
112	82	Brentwall Bd. 10p	112	.....	†3.43	2.7	4.8	14.7
156	124	Britannic 5p	134	−2	7.47	—	8.6	—
950	720	Combined Am. $1	750	.....	†Q66c	—	5.0	—
158	106	Comm. Union	120	+2	6.17	—	8.7	—
144	107	Eagle Star	122	.....	4.99	—	6.3	—
£128½	£112	Ennia (N) 9% Cnv.	£112	.....	Q9%	—	f8.0	—
154	134	Equity & Law 5p	144	−2	5.44	—	5.8	—
190	140	Gen. Accident	151	.....	5.81	—	5.9	—
225	175	Guardian Royal	191	.....	8.27	—	6.7	—
*422	264	Heath (C.E.) 20p	406	.....	†13.0	4.9	11.7	30

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FINANCIAL TIMES
Wednesday July 7 1976

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Foreign car imports increase again

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

ANXIETIES WITHIN the Government and the British industry about the high level of car imports rose yesterday with the publication of figures showing importers continuing to increase their penetration of the U.K. market.

Imports accounted for 36.9 per cent. of all sales last month compared with 30.65 per cent. in June, 1975. But the more significant figure was that in the first half of the year the importers' share moved up from 32.48 per cent. to 35.30 per cent.

The statistics explain increased pressure from British Leyland for selective action to be taken against imports from some countries. Recently Mr. Derek Whittaker, managing director of Leyland Cars, said he had grave concern about imports from Eastern Europe, concern about imports from Spain, and considerable concern about the position of Japan.

Leyland believed that both quotas and import surcharges should be applied to East European cars. In the case of Japan there should be some "concrete evidence from 1977 that attempts were being made to open its own market to foreign competition.

Leyland's views appear to have gained some endorsement from Ford, although the U.S.-controlled company, the second-largest in the U.K., is unhappy about the talk of controls, and Mr. Terry Beckett, its chairman, stresses Ford's traditional support for free-trade policies.

But the company is willing to accept that the Government might have to intervene with regulations for a specific period t help the weaker members of the British industry. These views have presumably been discussed in the tripartite meetings now going on between the Department of Industry, the heads of the British motor companies, and senior trade unionists.

One factor which could ease the situation would be a successful conclusion to the talks now going on in Japan between leaders of the British motor industry and their Japanese counterparts. The British negotiators will try to persuade the Japanese to impose some form of voluntary restraint on their exports to the U.K.

per cent. rise over 1975.

The immediate prospect of stemmg the tide of imports, however, is not good. Leyland is still extremely short of stocks, partly because of the April strikes and partly because it is continuing to give priority to exports. Ford has also run down its supplies in recent months.

This means that in August, when the market usually swings up abruptly because of the start of the new registration year, importers are likely to be in a better supply position than their U.K. competitors. Last year's August import figures prompted a particular furore over import controls.

Ford's is now running into a holiday period that will also involve changing model lines at Dagenham which will disruptt be factory for severa weeks.

Leyland is also approaching a holiday period and badly needs a long run of uninterrupted proing towards the 20,000 units a duction, which has been recover- week figure after the April disputes. The effects of these troubles were illustrated in car production figures published by the Department of Industry yesterday which showed that second-quarter production was down by 5 per cent. on the first quarter on a seasonally adjusted basis.

The same figures indicated that production recovered in June, and BL must now be hoping that it can wrest market leadership back from Ford during the rest of the year.

Yesterday's registration statistics, issued provisionally by the Society of Motor Manufacturers and Traders, show that Ford has led the sales league in Britain for seven of the last nine months.

JUNE REGISTRATIONS

	Units	%
Brit. Leyland	23,398	23.7
Ford	27,073	27.4
Chrysler	7,756	7.9
Vauxhall	9,272	9.4
Datsun	9,272	9.4
Renault	3,827	3.9
VW/Audi	2,869	2.9
Fiat	4,032	4.1
TOTAL	98,710	100.00

Miners leaders' tough line on retiring at 60

BY ROY ROGERS, LABOUR CORRESPONDENT

LEADERS of Britain's 260,000 miners yesterday threw up two new potential challenges to the Government's 4½ per cent. pay policy which comes into effect next month.

Just one day after delegates to the annual conference of he National Union of Mineworkers, meeting in Douglas, Isle of Man, fell into line with the policy on pay, the NUM executive decided to recommend that industrial action be considered if the National Coal Board does not agree to retirement at 60 on full pay by January. Delegates then went on to demand an immediate extra week's annual holiday.

Both the call for early retirement, which is expected to be endorsed by delegates tomorrow, and the holiday demand are clearly outside the pay policy guidelines laid down by the TUC, and could lead to a confrontation between the miners on the one hand and the TUC and the Labour Government on the other.

Miners are, however, unlikely to support industrial action to breach a policy which they accepted in a pithead ballot only last month.

The holiday demand is therefore expected to be looked at more as a long-term aim while the early retirement issue will probably be used to exert pressure for a deal on voluntary early retirement which is already under negotiation. In neither case is there any scope for improvement within the new policy which is scheduled to last until August, 1977.

Mr. Joe Gormley, the moderate NUM president opposed the executive's 13-to-9 vote in favour of calls by the traditionally moderate Nottinghamshire miners for the retirement age to be reduced from 65 to 60 in January and reduced in further stages to 55 by 1980.

The NUM president, who has been engaged in talks on the retirement age, suggested that the matter be referred to the executive after a full conference debate.

Negotiations on early retirement for miners have ground to a halt not because the NCB opposes it in principle but because for financial reasons such a move cannot be afforded and because the Government has said that it is not in a position to assist such a scheme.

The miners, whose average age is 43 and of whom some 24,000 are over 60, are seeking parity with their European colleagues, most of whom retire between 55 and 60.

In doing so, however, they are likely to adopt the Nottinghamshire motion which calls for full basic pay to be made up for miners who retire early.

Unlikely

The resolution also calls on the executive to hold a ballot of members on "what course of industrial action" should be taken if the demand is rejected.

Although it appears unlikely that miners will be prepared to take action on this issue any campaign or ballot would certainly put more pressure on the Government to concede a lowering of the miners' retirement age in the future.

Recognition of the miners' aspirations came yesterday from Mr. Anthony Wedgwood Benn, the Energy Secretary, who in an address to conference stated that the Government would take very careful note of their decision on retirement.

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THE LEX COLUMN

Lonrho's clash of styles

The Inspectors' report on Lonrho does not by itself resolve anything. Those who wish to see the group as the "unacceptable face of capitalism" will agree that the report "indicates a willingness on Mr. "Tiny" Rowland's part tto withhold information from or to mislead the Board or shareholders which has been more than casual."

But the group's continuing success will enable those who support Lonrho to gloss over the criticism. No one questions the degree of Mr. Rowland's commitment to Lonrho, and an investment in the group has always been an act of faith in his own particular style of leadership, about which the report has little new to add. "You see the past," he tells one of the inspectors, "and I have an idea of what the future could be depending on whether you want to kill it."

The problem has always been how to reconcile this approach with the requirements of a public company, and the report rapid progress over the past decade has rested heavily on its public status. Its leap from obscurity during the latter half of the 1960s owed a great deal to acquisitions made by means of share issues — with a total value amounting to £34m. in the two years ending in 1969. The liquidity squeeze in 1972 was resolved by a rights issue. And 1975 brought another splurge of equity issues.

As a result of this expansion, Lonrho is now a major international trading group with annual sales of £1bn. and upwards of 100,000 employees. Yet its credibility—as measured in a market capitalisation of just £120m. and its lack of support from institutional investors—is extremely low. Indeed its p/e relative to the market is roughly where it was ten years ago.

up by the inspectors, is that "so long as Mr. Rowland's management was successful, the Board generally chose the easier road" when it came to pursuing matters at Board level in the way that they ought to be pursued. The criticisms of Lonrho's directors mostly relate to issues which arose as a result of the chief executive's dominating influence.

Even Peat Marwick, who were brought in by the Board to prepare a report for circulation in the Spring of 1972, are tarred by the inspectors brush. In the words of a Lonrho director, the treatment of loans to Nyaschere in the special report took in "an element of window dressing," which the inspectors say that Peats were wrong to accept.

Lonrho has chosen to dismiss the Inspectors' findings as "minor matters of the giving of information to shareholders," and to adopt a defiant attitude to the whole report. There is no sign that it has adjusted its corporate strategy in line with its vastly increased size and responsibilities: indeed some of its acquisitions in the last 18 months have looked distinctly impulsive. There must be a limit to how long it can successfully ignore convention.

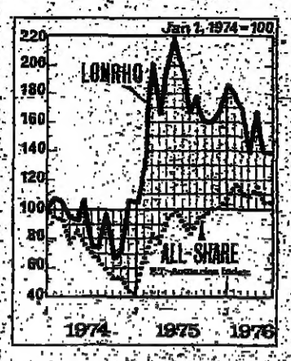
Bank lending

The Treasury's forecasts of economic growth looked unduly low even at the time of the Budget, being based on the assumption of a destocking trend extending into the second half of 1976. Recent figures have shown that the destocking process may well have come to an end as early as the first quarter of 1976, so the revision of the expected growth rate from 4 to 5 per cent. comes as no surprise. There may be some confirmation in the latest figures—for mid-June—of clearing bank lending, which showed underlying growth for the third month running, possibly by adding up to £700m. for the latest three months (some 5 per cent. of sterling lending to the U.K. private sector).

There is no easy way of analysing these figures. They are heavily affected by changes in leads and lags (especially in April and May) associated with sterling weakness, and by the recovery of lending business lost by the clearers earlier in the spring when their base rates were uncompetitive. With sterling stronger the leads and lags effect may now begin to be reversed. But there do seem, amid all this, to be tangible signs of increased borrowing by industry and commerce to finance increased levels of trading activity.

Buoyancy in the economy will reduce the public sector borrowing requirement, but it will also lead to a lower private sector surplus and increased private sector demand for credit. Hence, perhaps, the Chancellor's hint yesterday of a call for special deposits in due course. Such talk will not encourage hopes in the stock market for lower interest rates. And while the Government broker appears to be supplying the long tap fairly regularly—he probably sold at east £50m. of it yesterday, making £500m.-odd in all out of £800m.—much of his recent business seems to have been based on switching, so the net finance accruing may not have been al lthat large.

Index fell 2.2 to 390.3



TV contractors

With advertising revenue running some 27 per cent. ahead, TV contracting profits from ATV and Granada rose sharply over roughly similar half-yearly periods to March-April. Trident—the biggest of the more conventional groups—further underlines the strength of the cycle. Half-year profits are £1.2bn. higher at £2.3m. pre-tax with three-quarters of the upturn arising in contracting. For 1975-76 as a whole (to September) Trident looks set to emerge with £4½m. which is the sort of pre-tax return the group was making at the top of the previous cycle in 1972-73. And with the tax charge easing lower along with the losses in Australia the recovery is proving noticeably more marked at the net attributable level. Trident could earn 6½p per share this year against 2½p. and with Australia moving out of the red the chances are that 1976-77 will produce further growth. Meanwhile, the prospective yield at 35½p is 10.2 per cent. and likely to be covered some 2¾ times.

French-German accord mends frayed relations

BY ADRIAN DICKS

HAMBURG, July 6.

PRESIDENT Giscard d'Estaing of France and Chancellor Helmut Schmidt of West Germany ended two days of talks here this afternoon with the recently frayed relations relation their two Governments apparently restored, and in full agreement on the need to strengthen both countries' links with Britain as the third point in the triangle of major European Community members.

M. Giscard told journalists at the end of his formal meetings with the Chancellor that "close entente between France and Germany is the indispensable basis of all progress towards European unity. Our meetings have testified to the perfect understanding and friendship of our two countries."

Herr Schmidt appeared a little less exuberant in his comments, but expressed satisfaction that the main subjects of concern were fully aired. Observers at the two leaders' brief appearance in Hamburg City Hall did not, however, detect quite the same degree of personal warmth betwen them that was evident during Mr James Callaghan's talks with the Chancellor in Bonn last week.

On direct elections to the European Parliament, an issue likely to dominate the next EEC summit meeting, no firm decision has emerged, though from various hints after the meetings the two countries seem to have reached agreement on an acceptable mechanism.

The French President said: "We have put forward ideas that should enable the European Council to take positive decisions."

Hopes of change

The German official spokesman, Herr Klaus Boelling, said his Government hoped for "qualitative, positive change" when the European Council met in Brussels next Monday and Tuesday, but he would not go into more detail.

One reason for this reticence, apparent throughout the two days of talks here, is undoubtedly the wish of the larger "triangle" countries to avoid any semblance of "fixing" major Community decisions among themselves before meetings of all the Nine. They had a taste of the frustration felt by the smaller countries during the days leading up to the Puerto Rico summit meeting.

M. Giscard and Herr Schmidt returned to the theme of international trade in raw materials a san aspect of relations between he industrialised and developing countries. No agreement was reached on how to arrive at a joint position towards the Third World, beyond reaffirming their interest in pursuing the North-South dialogue in Paris.

As announced yesterday, a working group of French and West German officials is to study possible solutions to the problem of commodity price fluctuations in detail.

The impression here after the meetings was that while the French may be backing away from their former support of a common fund for Commodity schemes, the Germans may, at the same time, be softening their strict free market approach.

According to some German sources Bonn is now more willing than in Nairobi in May to consider price limit schemes for a few individual commodities, among them possibly cotton and rubber.

On purely financial matters M. Giscard went out of his way to draw attention to the relatively stable course the French franc has followed since it left the snake earlier this year.

600 Group signs Iran machine tool deal

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

U.K. INVOLVEMENT in the development of Iran's machine tool industry has taken a significant step forward with the signing of a deal by which he 600 Group will play a key role in setting up a major manufacturing and distribution plant there.

This is the second important breakthrough for the U.K. industry in Iran. Last year Alfred Herbert, now a National Enterprise Board subsidiary, signed an agreement with the State-owned Machine Sazi which involves the manufacture of some Herbert equipment under licence and joint technical and marketing activities.

Sir Jack Wellings, the 600 Group chairman, said yesterday his company would have a 40 per cent. stake in the concern set up to operate a machine tool assembly plan at Ahwaz. It should start in October.

He believed Iran offered excellent prospects for standard machine tools because there were so many small establishments operated by artisans which were crying out for mechanisation.

Significantly, although the West Germans are quite heavily involved in joint ventures in other sectors of Iranian manufacturing industry, U.K. companies are setting the pace in machine tools.

The Ahwaz plant will make Colchester lathes and Edwards' sheet metal working equipment from the 600 range, and products from two other U.K. companies —Wadkin's Bursgreen range of woodworking machinery and F. Pratt's workholding equipment.

A recent Machine Tool Trades Association report on opportunities in Iran highlighted the requirement for machine tools for educational establishments as Iran improved its general level of technical training. Colchester lathes are widely used in this way and an extra demand is created for the machines in industry as a result, because so many operators prefer to use equipment similar to that on which they trained.

Investment

Sir Jack said negotiations with hte Industrial Development and Renovation Organisation (IDRO) in Iran lasted 18 months. The 600 Group's investment would total around £575,000 for its 40 per cent. stake.

Another 600 Group subsidiary, Jones Cranes, has been the subject of further agreements with IDRO, Sir Jack reported. Jones Cranes will be made under licence in Iran. The 600 Group is to take a 40 per cent. stake in a company called Jonid which will market and distribute the products. The group's investment in Jonid will total about £63,000.

Vorster yields on language issue

BY GRAHAM HATTON

JOHANNESBURG, July 6.

THE SOUTH AFRICAN Government to-day announced that teaching in Afrikaans in Black schools is no longer compulsory. It has thus apparently given in on the issue which sparked last month's demonstrations in Black areas which led to at least 176 deaths.

Although the decision has been acclaimed by certain Black leaders, most observers believe that the concession does not herald a more lenient line on apartheid by the ruling Nationalist Party. On the contrary, it is noted that the Government now seems more than ever determined to continue implementing the policy, particularly in relation to Africans living in White only urban areas.

Mr. M. C. Botha, Minister of Bantu Education, said that instead of having to teach subjects in both English and Afrikaans on a 50-50 basis, African schools may now opt to teach in English or Afrikaans.

The Minister said that the choice would be left to school principals, acting on advice from their school boards. Confirmation of decisions, however, would still have to come from the Government in Pretoria.

Mr. Botha's decision, while not unexpected, is still of considerable interest, since it is clear that there have been tough Cabinet debates on the issue. Mr. Botha's deputy, Dr. Andries Treurnicht, is the main Right-wing spokesman on that and other apartheid issues. He is on record as being against any concessions.

Disaffection

However, it is thought that although the ultimate decision on the language issue was Mr. Vorster's, the Prime Minister himself is well aware of Right-wing criticism. He seems likely to meet this by refusing concessions on more fundamental issues affecting urban Africans.

Even before the shock of the riots in Soweto, South Africa's largest black township, the Government was clearly moving further right on two of the crucial issues of citizenship and the right to property, which affect urban Blacks.

At present, all urban Africans are denied property rights in so-called White areas, while all, whether they have ever been three, are expected to take up citizenship of one of the nine African "homelands."

It is not yet known when the Government appointed one-man commission of inquiry into the disturbances will report.

Weather

U.K. TO-DAY

CLOUDY, bright intervals, thundery rain. Very hot.

London Cent. S. England, W. England, Midlands, E. Midlands

Sunny periods, scattered thundery showers. Very hot. Max. 30C (86F).

S.E. England, E. Anglia, L. England

Mostly dry and sunny. Very hot, cooler near coasts. Max. 29C (84F).

Channel Islands, S.W. England, S. and N. Wales, Lake District, Isle of Man, S.W. Scotland, Glasgow, Highlands, Argyll, N.W. Scotland, N. Ireland

Cloudy, bright intervals, thundery rain. Warm. Max. 23C (73F).

N.W. England, Cent. N. England, N.E. England, Borders, Edinburgh, Dundee, Aberdeen, Moray Firth, N.E. Scotland, Orkney, Shetland

Sunny periods, scattered thundery showers. Fog patches near coasts. Wind light. Very hot inland cooler near coasts. Max. 27C (81F).

Outlook: Very warm, sunny intervals, thundery showers.

Lighting-up: London, 21.48, Manchester 22.08, Glasgow 22.31, Belfast 22.30.

Pollen count: 26 (low). Forecast: similar.

BUSINESS CENTRES

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Alexandria	S	29	84	Madrid	F	23	73
Amsterdm	S	27	81	Manchestr	S	29	84
Athens	S	29	84	Melbourne	C	18	64
Barcelona	C	26	79	Milan	S	29	84
Belfast	C	18	64	Montreal	S	25	77
Belgrade	S	25	77	Moscow	C	11	52
Berlin	F	22	72	Munich	S	24	75
Birmingham	S	27	81	Newcastle	S	22	72
Bristol	S	29	84	New York	S	26	79
Brussels	S	21	70	Oslo	S	28	82
Budapest	S	24	75	Paris	S	34	93
B. Aires	C	11	52	Perth	R	18	64
Cairo	S	36	97	Prague	S	21	70
Cardiff	S	27	81	Reykjavik	R	13	55
Cologne	S	29	84	Rio de J'o	S	23	73
Copenhagen	S	21	70	Rome	S	29	84
Dublin	C	19	66	Singapore	S	25	77
Edinburgh	S	19	66	Stockholm	S	21	70
Frankfurt	S	28	82	Strasbourg	S	30	86
Geneva	S	28	82	Sydney	S	14	57
Glasgow	S	24	75	Tehran	S	31	88
Helsinki	C	15	59	Tel Aviv	S	28	82
Hong Kong	C	29	84	Tokyo	C	23	73
Jo'burg	S	21	70	Toronto	S	25	77
Lisbon	S	24	75	Vienna	S	21	70
London	S	26	79	Warsaw	S	18	64
Luxembourg	S	30	86	Zurich	S	27	81

HOLIDAY RESORTS

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Ajaccio	C	25	77	Las Palmas	S	25	77
Biarritz	S	19	66	Locarno	S	27	81
Blackpool	S	29	84	Luxor	S	39	102
Bordeaux	F	25	77	Majorca	S	24	75
Boulogne	S	28	82	Malaga	S	31	88
Cape Tn	C	16	61	Malta	S	31	88
Corfu	S	29	84	Mexico	C	19	66
Dubrovnik	S	27	81	Nairobi	S	22	72
Faro	S	29	84	Naples	F	27	81
Funchal	S	21	70	Nice	C	25	77
Gibraltar	S	26	79	Oporto	S	21	70
Guernsey	C	21	70	Rhodes	S	28	82
Innsbruck	S	28	82	Salzburg	S	25	77
Inverness	S	23	73	Tenerife	S	21	70
Isle of M.	S	22	72	Valencia	F	27	81
Jersey	C	24	75	Venice	S	29	84

F—Fair. C—Cloudy. R—Rain. S—Sunny.

Continued from Page 1

Lonrho

for being "less than frank with his colleagues" in not drawing the attention of other directors to the terms of a compensation agreement between him and the company.

Lord Duncan-Sandys yesterday attacked the report as presenting "a wholly incomplete, unbalanced and unfair picture" of his role in the company's affairs.

Of Mr. Rowland's "dominant" role in the company, the inspectors say that he has a great deal to offer Lonrho and its shareholders but that "his achievements will be all the greater if he will allow his enthusiasms to operate within the ordinary processes of company management." The lesson of the Lonrho story is seen as showing that a company needs a Board that can provide an independent check on its executive.

There is achnowledgement of the efforts of Sir Basil Smallpeice, the minority non-executive director, who was ousted by shareholders with seven other colleagues after the 1973 Boardroom row. His efforts may have been abrasive but they represented the sincere efforts of a non-executive director to do his duty.

Continued from Page 1

Healey

place emphasis on increased industrial investment when he holds a Press conference to-day after chairing an important meeting of the National Economic Development Council.

The Prime Minister's personal involvement is intended to underline a major development in industrial strategy as plans are launched to provide more money for industrial investment from public expenditure savings

In the Commons yesterday Mr. Callaghan once more stressed the Government's determination to prevent excessive public spending from vitiating the progress of economic recovery.

He claimed that new opportunities for investment presented by the revised price code should provide better chances at the right time in the trade cycle. But to take full advantage of the possibilities, he warned that better use must be made of existing investments.

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